



NEW ISSUE

INCOME DISTRIBUTION, AUSTRALIA 1978-79

SUPPLEMENT TO SOCIAL INDICATORS NO. 3

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Australian Statistician

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GENERAL INFORMATION

Symbols and other usages

The following symbols, where shown in columns of figures or elsewhere in tables mean:

- n.a. not available
- .. not applicable
- n.e.i. not elsewhere included
- * subject to sampling variability too high for most practical uses.

Where figures have been rounded, discrepancies may occur between sums of the component items and totals.

PREFACE

This publication has been produced both as a supplement to Chapter 6, 'Income and Social Security', in Social Indicators No. 3 (SI3) and as a publication in its own right on the distribution of income in Australia. The income chapter in SI3 represented a first attempt by the ABS to explore in some detail the distribution of income in Australia. At the time the latest data available were from the 1973-74 income survey. Since then income data from the 1978-79 survey have become available and the analysis has been repeated using the 1978-79 data. Sections 1 to 3 in this publication correspond to the first three sections in Chapter 6 of SI3.

In addition, some new data relating to income distribution have been generated and these are contained in Section 4. In this section a brief examination is made of the effect that income tax and government cash benefits have on the distribution of income. This section is an extension of the first three sections where the characteristics of individuals and income units are examined in an attempt to gauge their effect on the distribution of income.

The final section presents a brief comparison of the results of the 1973-74 and 1978-79 income surveys.

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June 1982

13 SEP 1982

SECTION 1: INCOME DISTRIBUTION OF INDIVIDUALS

This section examines factors associated with the income distribution of individuals, utilising such summary measures as the relative frequency distribution, mean and median income, income shares of deciles, Lorenz curves and the Gini coefficient of concentration. (An explanation of most of these measures is contained in the technical notes.) Unless otherwise stated 'income' refers to *gross* income i.e. income from all sources before tax or any other deductions are made.

The approach taken in this section has been to divide the population into groups with generally different mean incomes and examine the mean incomes and Gini coefficients of these groups. Where the Gini coefficient of the sub-groups are all significantly lower than that of the population of which they are components then it may be concluded that the characteristic on which the sub-groups are defined, e.g. age, sex, educational attainment, is a factor contributing to income inequality in the original population. A major problem with this approach is that the data are derived from a sample survey (the 1978-79 income survey) whose size prohibits extensive disaggregation.

The broadest group examined is 'all income recipients' in the financial year 1978-79. In this year there were 9.6 million income recipients with a mean income of \$7,450 (Table 1). Those persons who constituted the bottom 10 per cent of income recipients (lowest decile) received 0.5 per cent of total income while the top 10 per cent (top decile) received 27.8 per cent. The Gini coefficient was relatively high at 0.44 indicating extensive inequality among different income recipients. (The closer the Gini coefficient is to 1 the greater the degree of inequality, zero being complete equality.) The mean income of individuals in the lowest decile was \$390 compared with \$20,700 for those in the top decile.

However, 'all income recipients' is an extremely heterogeneous group in that it includes people who worked one hour in 1978-79 as well as those who worked full-time for the whole of the year, people who did not work at all, women whose only source of income was family allowance and other people whose only source of income was a pension. In order to appreciate the effect of different factors on the distribution of income the data therefore need to be disaggregated. The first disaggregation used in this section is sex. The first point to note is the difference in the income distribution for males and females (Chart 1). The distribution curve for females peaks more and at lower levels of income than the male curve. The mean income of males was \$10,170 and that of females was \$4,720. The second point to note is the Gini coefficient of concentration, which for all income recipients in 1978-79 was 0.44. Disaggregating by sex gives ratios of 0.35 for males and 0.48 for females. The Lorenz curve for males lies completely within that for females (Chart 2) and therefore it can be said that the income of male income recipients is more equally distributed than that for female income recipients.

With respect to income source and labour force participation, males form a more homogeneous group than females. In 1978-79, for example, two thirds of males derived most of their income from wages and salaries compared with less than half (41.4 per cent) of female income recipients. Only 15 per cent of males derived most of their income from government cash benefits compared with 43.2 per cent of females (Table 2). This explains part of the difference between the mean incomes of males and females, since the mean income of persons whose principal source of income was wages and salaries was \$9,850, compared with \$2,250 for those whose principal source of income was government cash benefits.

The association between mean income and principal source of income suggests that more homogeneity with respect to income could be achieved if only those persons with earned income (that is, income from wages, salaries, share in partnerships or from own business) were considered in further disaggregations. In Table 4 data are presented on persons with earned income cross-classified by labour force participation. In 1978-79 mean earned income ranged from \$1,410 per annum for those people who worked part-time for 1 to 29 weeks of the year to \$11,430 for full-year (50-52 weeks) full-time workers. The majority of earned income recipients (65.8 per cent) were full-year, full-time workers (Table 3) and the remaining tables in this section look solely at this group.

(Note: marital status data for individuals are not comparable between the 1973-74 survey and the 1978-79 survey. In 1978-79 separated persons were included in the 'other' (than married) category whereas in 1973-74 they were included in 'married'. In order to enable comparisons to be made Tables 6.2, 6.3 and 6.4 in SI3 have been re-tabulated using the 1978-79 definition of marital status. These tables are included in the publication as Tables 2A, 3A and 4A respectively.)

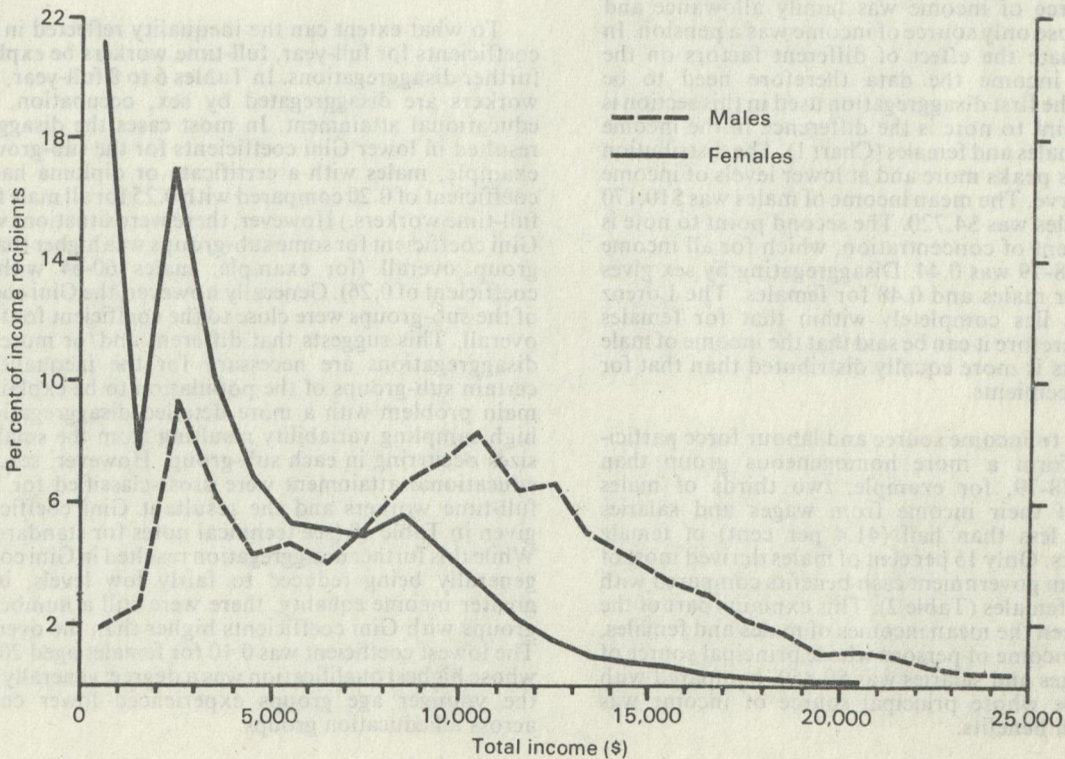
Of the total of 9.6 million income recipients examined at the start of this section, 4.3 million are full-year, full-time workers. They represent a more homogeneous group with respect to work force participation and principal source of income and as such many of the factors associated with inequality have been eliminated. This is evident when comparing the summary income measures of all income recipients and all full-year, full-time workers where the mean incomes were respectively \$7,450 and \$11,430, the Gini coefficients were respectively 0.44 and 0.25, the lowest decile shares of income were 0.5 per cent and 3.4 per cent and the top decile shares 27.8 per cent and 20.9 per cent (Tables 1 and 5). In summary there was considerably less inequality amongst full-year, full-time workers than amongst all income recipients.

To what extent can the inequality reflected in the Gini coefficients for full-year, full-time workers be explained by further disaggregations. In Tables 6 to 8 full-year, full-time workers are disaggregated by sex, occupation, age and educational attainment. In most cases the disaggregation resulted in lower Gini coefficients for the sub-groups. (For example, males with a certificate or diploma had a Gini coefficient of 0.20 compared with 0.25 for all male full-year, full-time workers.) However, there were situations where the Gini coefficient for some sub-groups was higher than for the group overall (for example, males 60-64 with a Gini coefficient of 0.26). Generally however, the Gini coefficients of the sub-groups were close to the coefficient for the group overall. This suggests that different and/or more detailed disaggregations are necessary for the inequality within certain sub-groups of the population to be explained. The main problem with a more detailed disaggregation is the high sampling variability resulting from the small sample sizes occurring in each sub-group. However, sex, age and educational attainment were cross-classified for full-year, full-time workers and the resultant Gini coefficients are given in Table 10 (see technical notes for standard errors). While this further disaggregation resulted in Gini coefficients generally being reduced to fairly low levels, indicating greater income equality, there were still a number of sub-groups with Gini coefficients higher than the overall ratio. The lowest coefficient was 0.10 for females aged 20-24 years whose highest qualification was a degree; generally speaking the younger age groups experienced lower coefficients across all education groups.

TABLE 1. ALL INCOME RECIPIENTS: INCOME DECILES AND MEAN INCOME, 1978-79

Decile class	Males		Females		Persons	
	Income share (per cent)	Mean income (\$)	Income share (per cent)	Mean income (\$)	Income share (per cent)	Mean income (\$)
Lowest	1.7	1,770	0.5	240	0.5	390
2nd	3.1	3,180	1.3	610	2.2	1,610
3rd	5.0	5,120	3.0	1,430	3.6	2,680
4th	7.2	7,360	5.2	2,470	4.8	3,540
5th	8.9	8,990	6.2	2,940	7.0	5,230
6th	10.1	10,300	8.1	3,800	9.8	7,300
7th	11.5	11,660	11.2	5,290	12.2	9,080
8th	13.1	13,290	15.3	7,220	14.5	10,790
9th	15.4	15,680	19.5	9,190	17.7	13,190
Highest	23.9	24,300	29.7	14,020	27.8	20,700
Total	100.0	10,170	100.0	4,720	100.0	7,450
Gini coefficient	0.35		0.48		0.44	
Mean income (\$)	10,170		4,720		7,450	
Median income (\$)	9,710		3,230		6,240	
Number (' 000)	4,810.9		4,779.6		9,590.4	

CHART 1. ALL INCOME RECIPIENTS: PROPORTION OF INCOME RECIPIENTS AT EACH LEVEL OF INCOME(a), 1978-79



(a) Income classes of \$1,000

CHART 2. LORENZ CURVES(a) FOR ALL INCOME RECIPIENTS, 1978-79

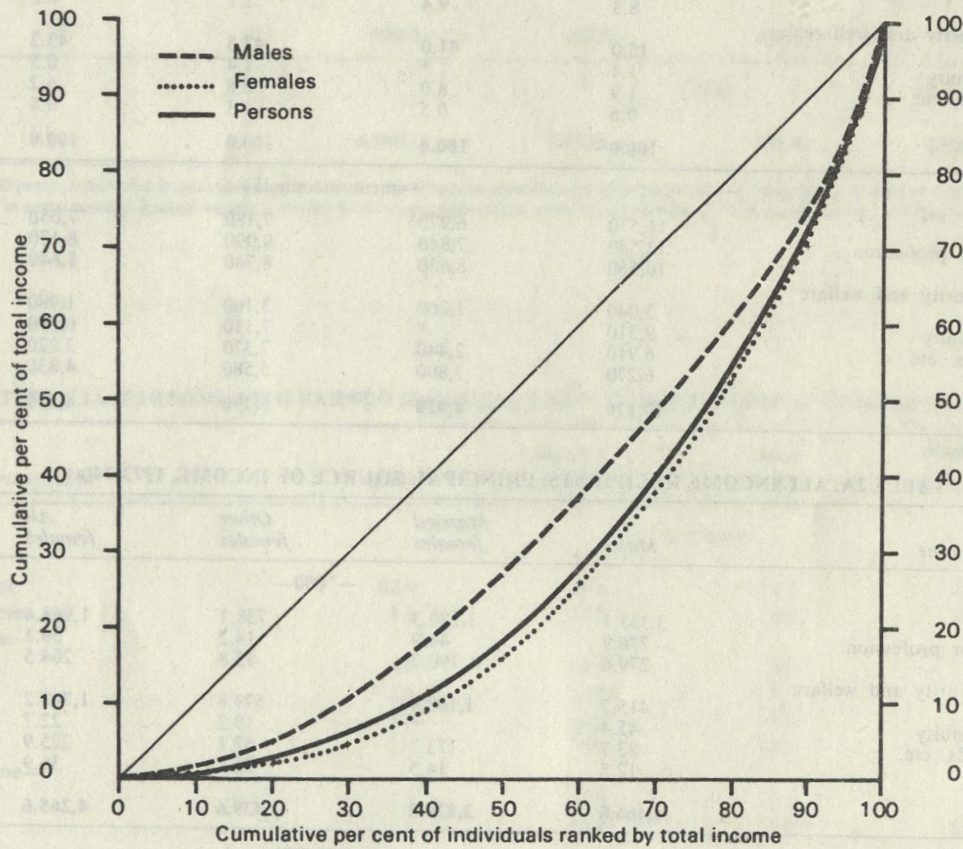


TABLE 2. ALL INCOME RECIPIENTS: PRINCIPAL SOURCE OF INCOME, 1978-79

<i>Principal source of income</i>	<i>Males</i>	<i>Married females</i>	<i>Other females(a)</i>	<i>All females</i>	<i>Persons</i>
— '000—					
Wages or salary	3,227.2	1,241.0	738.6	1,979.7	5,206.9
Own business, trade or profession	277.0	46.4	16.5	62.9	339.9
Share in partnership	399.0	294.6	18.6	313.2	712.2
Government social security and welfare					
cash benefits	722.3	1,283.6	782.8	2,066.4	2,788.7
Superannuation or annuity	65.2	*	22.5	24.0	89.2
Interest, rent, dividends, etc.	90.1	249.3	46.8	296.1	386.2
Other income	30.1	15.7	21.6	37.3	67.5
Total	4,810.9	3,132.2	1,647.4	4,779.6	9,590.4
— per cent—					
Wages or salary	67.1	39.6	44.8	41.4	54.3
Own business, trade or profession	5.8	1.5	1.0	1.3	3.5
Share in partnership	8.3	9.4	1.1	6.6	7.4
Government social security and welfare					
cash benefits	15.0	41.0	47.5	43.2	29.1
Superannuation or annuity	1.4	*	1.4	0.5	0.9
Interest, rent, dividends, etc.	1.9	8.0	2.8	6.2	4.0
Other income	0.6	0.5	1.3	0.8	0.7
Total	100.0	100.0	100.0	100.0	100.0
— mean income (\$)—					
Wages or salary	11,570	6,970	7,180	7,050	9,850
Own business, trade or profession	13,580	7,840	9,090	8,170	12,580
Share in partnership	10,560	8,630	8,740	8,640	9,710
Government social security and welfare					
cash benefits	3,040	1,260	3,160	1,980	2,250
Superannuation or annuity	9,310	*	7,110	6,880	8,660
Interest, rent, dividends, etc.	6,910	2,440	7,370	3,220	4,080
Other income	6,270	3,800	5,580	4,830	5,470
Total	10,170	4,420	5,290	4,720	7,450

(a) Includes separated females.

TABLE 2A. ALL INCOME RECIPIENTS: PRINCIPAL SOURCE OF INCOME, 1973-74(a)

<i>Principal source of income</i>	<i>Males</i>	<i>Married females</i>	<i>Other females</i>	<i>All females</i>	<i>Persons</i>
— '000—					
Wages or salary	3,353.1	1,230.3	738.1	1,968.4	5,321.5
Own business, trade or profession	276.9	44.9	14.2	59.1	336.1
Share in partnership	279.6	190.7	13.8	204.5	484.0
Government social security and welfare					
cash benefits	415.7	1,168.4	579.8	1,748.2	2,163.9
Superannuation or annuity	45.4	*	19.2	22.7	68.1
Interest, rent, dividends, etc.	83.7	173.7	52.1	225.9	309.6
Other income	12.5	14.5	22.4	36.9	49.4
Total	4,466.8	2,826.0	1,439.6	4,265.6	8,732.5
— per cent—					
Wages or salary	75.1	43.5	51.3	46.1	60.9
Own business, trade or profession	6.2	1.6	1.0	1.4	3.8
Share in partnership	6.3	6.7	1.0	4.8	5.5
Government social security and welfare					
cash benefits	9.3	41.3	40.3	41.0	24.8
Superannuation or annuity	1.0	*	1.3	0.5	0.8
Interest, rent, dividends, etc.	1.9	6.1	3.6	5.3	3.5
Other income	0.3	0.5	1.6	0.9	0.6
Total	100.0	100.0	100.0	100.0	100.0
— mean income (\$)—					
Wages or salary	6,060	3,140	3,210	3,160	4,990
Own business, trade or profession	7,870	3,610	5,020	3,950	7,180
Share in partnership	6,500	4,840	3,790	4,770	5,770
Government social security and welfare					
cash benefits	1,440	390	1,420	740	870
Superannuation or annuity	4,310	*	2,660	2,470	3,690
Interest, rent, dividends, etc.	4,060	1,140	2,870	1,540	2,220
Other income	4,130	2,390	2,470	2,430	2,870
Total	5,710	2,000	2,480	2,160	3,980

(a) This table is a retabulation of Table 6.2 in S13 with the definition of 'married' changed so as to be consistent with that used in the 1978-79 survey i.e. married excludes 'separated'. In Tables 6.2 to 6.4 in S13 'married' comprised 'now married' and 'separated'.

TABLE 3. PERSONS WITH EARNED INCOME(a): LABOUR FORCE PARTICIPATION(b), 1978-79

Labour force participation	Males	Married females	Other females(c)	All females	Persons
—per cent—					
Full-year, full-time	79.1	40.3	53.0	44.7	65.8
Full-year, part-time	1.8	27.5	8.4	20.9	9.2
Part-year, full-time—					
40-49 weeks	6.2	4.4	7.4	5.4	5.9
30-39 weeks	3.6	3.1	4.8	3.7	3.7
15-29 weeks	4.2	4.2	8.9	5.8	4.8
1-14 weeks	2.9	3.8	6.5	4.7	3.6
Part-year, part-time—					
30-49 weeks	0.8	7.8	4.3	6.6	3.1
1-29 weeks	1.2	8.8	6.8	8.1	3.9
Total	100.0	100.0	100.0	100.0	100.0
—'000—					
Total	4,029.1	1,673.5	881.6	2,555.1	6,584.2

(a) Excludes 12,100 persons recorded as having earned income but for whom no duration of employment was recorded. Many of these persons reported that they received income from a share in a partnership. Earned income is income from wages and salaries, share in partnerships or from own business. (b) See technical notes. (c) Includes 'separated' females.

TABLE 3A. PERSONS WITH EARNED INCOME(a): LABOUR FORCE PARTICIPATION(b), 1973-74(c)

Labour force participation	Males	Married females	Other females	All females	Persons
—per cent—					
Full-year, full-time	82.4	43.7	55.7	48.1	69.9
Full-year, part-time	1.8	17.3	6.2	13.2	6.0
Part-year, full-time—					
40-49 weeks	4.6	4.9	4.9	4.9	4.7
30-39 weeks	2.6	3.4	3.9	3.6	2.9
15-29 weeks	3.5	6.2	9.6	7.4	4.9
1-14 weeks	2.9	5.1	8.5	6.3	4.1
Part-year, part-time—					
30-49 weeks	0.7	7.0	3.5	5.7	2.6
1-29 weeks	1.6	12.4	7.6	10.7	4.9
Total	100.0	100.0	100.0	100.0	100.0
—'000—					
Total	3,992.9	1,453.4	828.9	2,282.2	6,275.2

(a) Excludes 87,700 persons recorded as having earned income but for whom no duration of employment was recorded. Many of these persons reported that they received income from a share in a partnership. Earned income is income from wages and salaries, share in partnerships or from own business. (b) See technical notes. (c) This table is a retabulation of Table 6.3 in S13 with the definition of 'married' changed so as to be consistent with that used in the 1978-79 survey i.e. married excludes 'separated'. In Tables 6.2 to 6.4 in S13 'married' comprised 'now married' and 'separated'.

**TABLE 4. PERSONS WITH EARNED INCOME(a): MEAN EARNED INCOME
BY LABOUR FORCE PARTICIPATION(b), 1978-79**
(Dollars)

<i>Labour force participation</i>	<i>Males</i>	<i>Married females</i>	<i>Other females(b)</i>	<i>All females</i>	<i>Persons</i>
Full-year, full-time	12,320	9,170	8,630	8,950	11,430
Full-year, part-time	6,160	5,910	4,290	5,690	5,740
Part-year, full-time—					
40-49 weeks	9,010	7,430	6,510	7,000	8,300
30-39 weeks	6,720	6,040	4,710	5,440	6,220
15-29 weeks	4,110	3,700	2,830	3,240	3,710
1-14 weeks	1,870	1,490	970	1,240	1,550
Part-year, part-time—					
30-49 weeks	6,310	3,660	2,800	3,470	3,940
1-29 weeks	1,650	1,520	950	1,360	1,410
Total	10,970	6,470	6,140	6,360	9,180

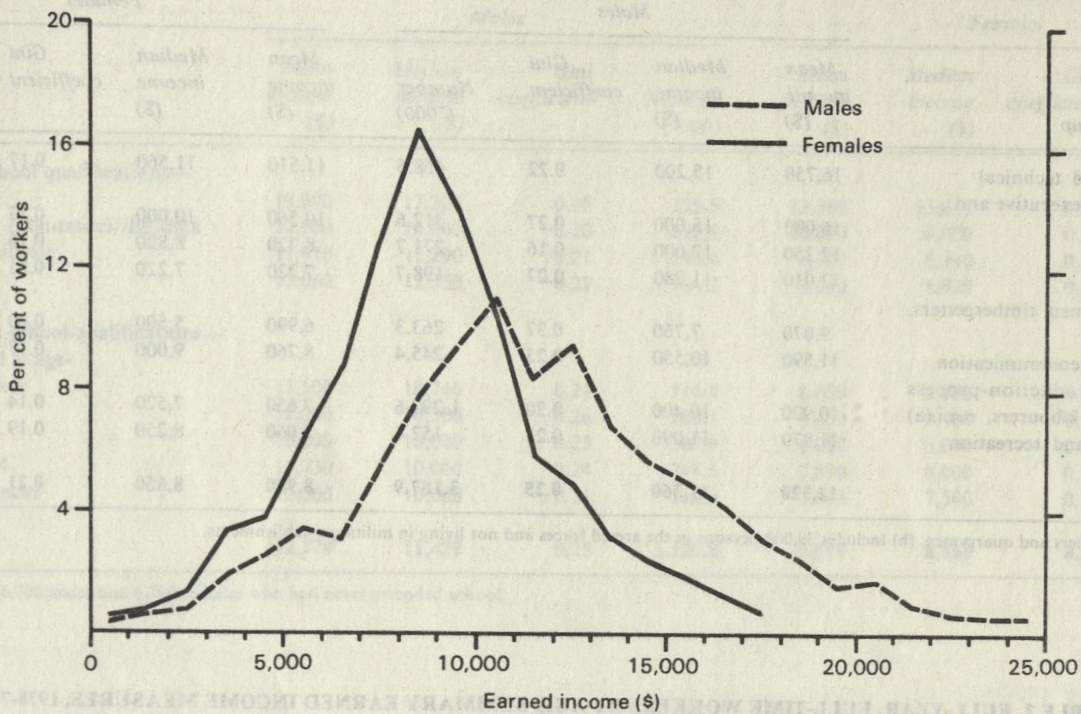
(a) Excludes 12,100 persons recorded as having earned income but for whom no duration of employment was recorded. Many of these persons reported that they received income from a share in a partnership. Earned income is income from wages and salaries, share in partnerships or from own business. (b) See technical notes. (c) Includes 'separated' females.

**TABLE 4A. PERSONS WITH EARNED INCOME(a): MEAN EARNED INCOME
BY LABOUR FORCE PARTICIPATION(b), 1973-74(c)**
(Dollars)

<i>Labour force participation</i>	<i>Males</i>	<i>Married females</i>	<i>Other females</i>	<i>All females</i>	<i>Persons</i>
Full-year, full-time	6,650	4,380	4,160	4,280	6,060
Full-year, part-time	2,490	2,660	1,730	2,500	2,500
Part-year, full-time—					
40-49 weeks	5,340	3,480	3,160	3,370	4,590
30-39 weeks	3,930	2,850	2,170	2,580	3,330
15-29 weeks	2,100	1,870	1,370	1,640	1,840
1-14 weeks	810	1,060	570	820	820
Part-year, part-time—					
30-49 weeks	2,000	1,890	1,210	1,740	1,790
1-29 weeks	600	900	500	800	760
Total	5,990	3,060	2,930	3,060	4,900

(a) Excludes 87,700 persons recorded as having earned income but for whom no duration of employment was recorded. many of these persons reported that they received income from a share in a partnership. Earned income is income from wages and salaries, share in partnerships or from own business. (b) See technical notes. (c) This table is a retabulation of table 6.4 in S13 with the definition of 'married' changed so as to be consistent with that used in the 1978-79 survey i.e. married excludes 'separated'. In Tables 6.2 to 6.4 in S13 'married' comprised 'now married' and 'separated'.

CHART 3. FULL-YEAR, FULL-TIME WORKERS: PROPORTION OF WORKERS AT EACH LEVEL OF INCOME(a), 1978-79



(a) Income classes of \$1,000

TABLE 5. FULL-YEAR, FULL-TIME WORKERS: EARNED INCOME DECILES AND MEAN EARNED INCOME(a), 1978-79

Decile class	Males		Females		Persons	
	Income share (per cent)	Mean income (\$)	Income share (per cent)	Mean income (\$)	Income share (per cent)	Mean income (\$)
Lowest	3.4	4,190	3.8	3,420	3.4	3,930
2nd	6.0	7,360	6.4	5,720	5.9	6,690
3rd	7.1	8,810	7.7	6,910	7.1	8,100
4th	8.0	9,870	8.6	7,720	8.0	9,090
5th	8.8	10,810	9.4	8,370	8.7	9,990
6th	9.7	11,910	10.1	8,990	9.6	10,970
7th	10.6	13,070	10.8	9,700	10.7	12,180
8th	11.9	14,630	11.8	10,500	11.9	13,660
9th	13.7	16,840	13.4	12,010	13.9	15,830
Highest	20.9	25,740	18.0	16,120	20.9	23,880
Total	100.0	12,320	100.0	8,950	100.0	11,430
Gini coefficient	0.25		0.21		0.25	
Mean income (\$)	12,320		8,950		11,430	
Median income (\$)	11,360		8,650		10,420	
Number (' 000)	3,187.9		1,142.7		4,330.6	

(a) Earned income is income from wages and salaries, share in partnerships or from own business.

**TABLE 6. FULL-YEAR, FULL-TIME WORKERS BY OCCUPATION: SUMMARY
EARNED INCOME MEASURES, 1978-79**

Occupation group	Males				Females			
	Mean income (\$)	Median income (\$)	Gini coefficient	Number ('000)	Mean income (\$)	Median income (\$)	Gini coefficient	Number ('000)
Professional and technical	16,750	15,200	0.22	408.5	11,510	11,560	0.17	234.9
Administrative, executive and managerial	16,080	15,000	0.27	312.6	10,560	10,000	0.33	35.1
Clerical	12,250	12,000	0.16	271.7	8,720	8,820	0.16	440.1
Sales	12,010	11,280	0.27	198.7	7,220	7,220	0.21	111.3
Farmers, fishermen, timbergetters, etc.	9,070	7,760	0.37	263.3	6,990	5,500	0.40	43.3
Transport and communication	11,590	10,550	0.23	245.4	8,760	9,000	0.17	28.3
Tradesmen, production-process workers and labourers, n.e.i.(a)	10,920	10,400	0.20	1,292.6	7,650	7,520	0.14	138.5
Service, sport and recreation	11,970	11,090	0.21	157.4	8,060	8,250	0.19	109.7
Total(b)	12,320	11,360	0.25	3,187.9	8,950	8,650	0.21	1,142.7

(a) Includes miners and quarrymen. (b) Includes 39,000 persons in the armed forces and not living in military establishments.

TABLE 7. FULL-YEAR, FULL-TIME WORKERS BY AGE: SUMMARY EARNED INCOME MEASURES, 1978-79

Age group (years)	Males				Females			
	Mean income (\$)	Median income (\$)	Gini coefficient	Number ('000)	Mean income (\$)	Median income (\$)	Gini coefficient	Number ('000)
15-19	6,110	5,550	0.22	146.4	5,520	5,520	0.14	108.6
20-24	9,690	9,450	0.17	353.6	8,510	8,390	0.14	240.7
25-34	12,620	12,000	0.21	909.8	10,100	9,860	0.20	297.1
35-44	13,650	12,610	0.24	731.5	9,310	8,760	0.22	218.0
45-54	13,400	12,000	0.26	608.6	9,310	9,000	0.20	181.6
55-59	12,880	11,200	0.25	252.3	9,160	8,760	0.20	66.3
60-64	11,970	10,700	0.26	137.6	9,280	9,360	0.22	19.9
65 and over	9,250	8,440	0.35	48.0	6,080	5,360	0.34	10.6
Total	12,320	11,360	0.25	3,187.9	8,950	8,650	0.21	1,142.7

**TABLE 8. FULL-YEAR, FULL-TIME WORKERS 15-64 YEARS OF AGE BY EDUCATIONAL ATTAINMENT:
SUMMARY EARNED INCOME MEASURES, 1978-79**

Educational attainment	Males				Females			
	Mean income (\$)	Median income (\$)	Gini coefficient	Number ('000)	Mean income (\$)	Median income (\$)	Gini coefficient	Number ('000)
With post-school qualifications—								
Degree	19,690	17,300	0.25	255.5	13,360	13,040	0.17	58.8
Certificate (non-trade)/diploma	14,560	14,000	0.20	410.6	10,090	10,000	0.19	339.3
Trade certificate	11,910	11,290	0.21	819.4	8,700	8,140	0.19	26.5
Other	13,060	12,350	0.22	114.2	9,040	8,920	0.16	42.3
Without post-school qualifications—								
Left school at age—								
18 or over	11,500	10,740	0.24	116.4	8,680	8,380	0.18	34.6
17	11,200	10,500	0.26	200.1	8,450	8,400	0.18	82.2
16	10,500	10,000	0.25	307.8	8,080	8,000	0.21	159.0
15 or 14	10,730	10,000	0.24	748.6	7,870	8,000	0.19	331.9
13 or under	10,360	10,000	0.21	160.6	7,690	7,580	0.18	50.7
Total(a)	12,370	11,420	0.25	3,139.8	8,970	8,660	0.21	1,132.1

(a) Includes 6,700 males and 6,700 females who had never attended school.

**TABLE 9. FULL-YEAR, FULL-TIME WORKERS 15-64 YEARS OF AGE: AGE AND EDUCATIONAL ATTAINMENT,
1978-79
(' 000)**

Educational attainment	Age group (years)							Total
	15-19	20-24	25-34	35-44	45-54	55-59	60-64	
MALES								
With post-school qualifications—								
Degree	*	12.5	94.8	72.1	52.0	15.5	8.6	255.5
Certificate (non-trade)/diploma	*	23.5	143.1	112.4	86.2	32.7	11.6	410.6
Trade certificate	8.8	107.2	244.8	203.7	153.7	68.2	32.9	819.4
Other	*	13.5	37.9	25.4	23.1	8.3	*	114.2
Without post-school qualifications—								
Left school at age—								
18 or over	*	36.2	46.8	16.6	8.5	*	*	116.4
17	20.5	52.9	68.8	27.1	19.7	7.6	*	200.1
16	56.0	48.0	89.6	55.6	35.5	14.2	8.8	307.8
15 or 14	54.0	57.7	168.0	177.7	170.6	69.2	51.4	748.6
13 or under	*	*	15.3	40.2	57.5	29.6	14.9	160.6
Total(a)	146.4	353.6	909.8	731.5	608.6	252.3	137.6	3,139.8
FEMALES								
With post-school qualifications—								
Degree	*	9.3	26.9	11.9	8.3	*	*	58.8
Certificate (non-trade)/diploma	21.5	80.2	110.7	58.5	44.2	18.1	6.1	339.3
Trade certificate	*	6.3	6.2	*	*	*	*	26.5
Other	*	10.2	9.7	8.3	7.4	*	*	42.3
Without post-school qualifications—								
Left school at age—								
18 or over	*	14.4	8.8	7.1	*	*	*	34.6
17	15.9	31.3	21.0	*	*	*	*	82.2
16	31.8	35.3	39.8	28.5	16.6	*	*	159.0
15 or 14	32.0	53.0	63.8	74.6	73.7	26.9	7.9	331.9
13 or under	*	*	10.2	15.8	14.8	7.8	*	50.7
Total(b)	108.6	240.7	297.1	218.0	181.6	66.3	19.9	1,132.0

(a) Includes 6,700 males who had never attended school.

(b) Includes 6,700 females who had never attended school.

TABLE 10. FULL-YEAR, FULL-TIME WORKERS 15-64 YEARS OF AGE: GINI COEFFICIENTS BY AGE AND EDUCATIONAL ATTAINMENT, 1978-79

Educational attainment	Age group (years)							Total
	15-19	20-24	25-34	35-44	45-54	55-59	60-64	
MALES								
With post-school qualifications—								
Degree	*	0.11	0.20	0.23	0.26	0.24	0.28	0.25
Certificate (non-trade)/diploma	*	0.14	0.16	0.19	0.19	0.25	0.22	0.20
Trade certificate	0.14	0.16	0.21	0.21	0.22	0.22	0.15	0.21
Other	*	0.15	0.22	0.20	0.22	0.17	*	0.22
Without post-school qualifications—								
Left school at age—								
18 or over	*	0.17	0.21	0.29	0.21	*	*	0.24
17	0.19	0.16	0.22	0.31	0.26	0.19	*	0.26
16	0.25	0.17	0.18	0.20	0.22	0.16	0.20	0.25
15 or 14	0.21	0.18	0.19	0.22	0.23	0.21	0.29	0.24
13 or under	*	*	0.21	0.19	0.23	0.17	0.19	0.21
Total(a)	0.22	0.17	0.21	0.24	0.26	0.25	0.26	0.25
FEMALES								
With post-school qualifications—								
Degree	*	0.10	0.15	0.22	0.15	*	*	0.17
Certificate (non-trade)/diploma	0.13	0.12	0.17	0.18	0.19	0.19	0.19	0.19
Trade certificate	*	0.17	0.13	*	*	*	*	0.19
Other	*	0.11	0.15	0.18	0.12	*	*	0.16
Without post-school qualifications—								
Left school at age—								
18 or over	*	0.13	0.18	0.16	*	*	*	0.18
17	0.13	0.15	0.14	*	*	*	*	0.18
16	0.13	0.12	0.20	0.24	0.18	*	*	0.21
15 or 14	0.15	0.12	0.19	0.17	0.18	0.19	0.18	0.19
13 or under	*	*	0.14	0.20	0.17	0.14	*	0.18
Total(b)	0.14	0.14	0.20	0.22	0.20	0.20	0.22	0.21

(a) Includes 6,700 males who had never attended school. (b) Includes 6,700 females who had never attended school.

In 1978-79 there were approximately 1,325,000 income units in Australia—1,133,700 married couples, 2,270 one-parent units and 1,771,500 one-person units (Table 12). The mean income of all income units was \$11,340 and ranged from \$15,340 for married couple units to \$6,540 for one-person units.

The attention of readers is drawn to a new table in this Section—Table 12A—that contains data on the highest income in each decile for one-person income units, units with two or more members and all income units. Decile shares and mean incomes for these groups are also provided.

In order to adequately compare the welfare of income units that vary in size and composition a set of equivalence scales is needed. The purpose of the equivalence scales is to measure the effect these size and composition differences have on their standard of living.

not aged married couple units with dependent children to \$6,130 for one-parent units with a female head is less helpful in explaining inequality as Gini coefficients were not reduced for all sub-groups.

A factor that has an important bearing on the income received by an income unit is the number of income earners in the unit. (An earner was defined as any person who received income in 1978-79 from wages or salary, share in a partnership or from his own business.) This association between income level and number of earners is clearly illustrated in Chart 6 with the income distribution curve becoming flatter and centering at a higher level of income as the number of earners increases. The mean income in 1978-79 increases from \$5,910 for units with no earners to \$11,340 for those with one earner and \$19,630 for those with two earners (Table 15). The number of earners also helps explain the total inequality in the income distribution of units with two or more members, with the Gini coefficients for all one and two-earner units all being lower than that for all income units of two or more persons.

**TABLE 11. FULL-YEAR, FULL-TIME WORKERS 15-64 YEARS OF AGE: MEAN EARNED INCOME
BY AGE AND EDUCATIONAL ATTAINMENT, 1978-79**
(Dollars)

Educational attainment	Age group (years)							Total
	15-19	20-24	25-34	35-44	45-54	55-59	60-64	
MALES								
With post-school qualifications—								
Degree	*	11,870	17,060	20,740	22,830	24,900	22,900	19,690
Certificate (non-trade)/diploma	*	10,890	13,410	15,840	15,350	15,910	14,910	14,560
Trade certificate	7,950	10,270	11,990	12,800	11,930	12,260	11,530	11,920
Other	*	9,860	13,130	13,760	14,830	13,260	*	13,060
Without post-school qualifications—								
Left school at age—								
18 or over	*	8,960	12,340	13,090	13,100	*	*	11,500
17	6,100	9,520	12,030	13,550	14,080	13,750	*	11,210
16	6,390	8,770	11,570	12,550	12,770	11,550	11,600	10,510
15 or 14	5,490	9,020	11,280	11,570	11,660	10,590	10,550	10,730
13 or under	*	*	10,550	9,940	10,750	10,500	9,900	10,360
Total(a)	6,110	9,690	12,620	13,650	13,400	12,880	11,970	12,370
FEMALES								
With post-school qualifications—								
Degree	*	11,160	13,710	13,050	14,840	*	*	13,360
Certificate (non-trade)/diploma	5,730	9,170	10,930	10,640	10,680	10,970	10,090	10,090
Trade certificate	*	8,760	8,400	*	*	*	*	8,700
Other	*	7,950	9,980	9,900	9,540	*	*	9,040
Without post-school qualifications—								
Left school at age—								
18 or over	*	7,790	8,250	11,470	*	*	*	8,680
17	5,980	8,440	10,320	*	*	*	*	8,450
16	5,560	7,980	9,200	8,800	8,710	*	*	8,080
15 or 14	4,970	7,750	8,440	7,950	8,540	7,970	8,680	7,870
13 or under	*	*	7,900	7,620	7,750	8,140	*	7,690
Total(b)	5,520	8,510	10,100	9,310	9,310	9,160	9,280	8,970

(a) Includes 6,700 males who had never attended school. (b) Includes 6,700 females who had never attended school.

SECTION 2 : INCOME DISTRIBUTION OF INCOME UNITS

In the previous section income distribution was examined from the point of view of the recipient unit—the individual. An alternative focus for income analysis is on income received by groups of individuals who form a single spending unit. Selecting an appropriate spending unit is not a simple matter. Assumptions must be made about the extent to which social groupings share the joint income of their members. Should the analysis be according to households, families or some other unit? What is an appropriate definition of income dependence?

The remaining sections in this publication utilise the concept of an 'income unit' similar to that chosen for analysis by the Commission of Inquiry into Poverty in Australia. With minor variations in definition, income unit has since been used extensively in welfare-oriented income analysis. In this publication income units comprise:

- (a) Married couple income units which consist of husband, wife and dependent children (if any).
- (b) One-parent income units which consist of a parent (male or female) and at least one dependent child; they cannot include a married couple.
- (c) One-person income units which consist of all persons not included in (a) and (b) above.

Dependent children in the above refer to all unmarried persons living with their parent(s) and either under 15 years of age or full-time students aged 15-20 years whose earned income was less than some specified amount. In the 1978-79 income survey—the source of data in this section—the amount was \$1,600 for the financial year 1978-79. The income of dependent children however was not included in income unit income and therefore the maximum number of income recipients in an income unit is two. As in Section 1 income in this section refers to gross income.

In 1978-79 there were approximately 6,325,900 income units in Australia—3,333,700 married couple units, 218,700 one-parent units and 2,773,500 one-person units (Table 12). The mean income of all income units was \$11,310 and ranged from \$15,500 for married couple units to \$6,590 for one-person units.

The attention of readers is drawn to a new table in this Section—Table 12A—that contains data on the highest income in each decile for one-person income units, units with two or more members and all income units. Decile shares and mean incomes for these groups are also provided.

In order to adequately compare the welfare of income units that vary in size and composition a set of equivalence scales is needed. The purpose of the equivalence scales is to measure the effect these size and composition differences have on their standard of living.

As yet there is no 'official' or generally accepted set of equivalence scales in Australia and without using equivalence scales, income unit comparisons must be regarded as crude indicators of welfare status. However, in recognition of differences in the income needs of units of different sizes the data in this section distinguish between two different types of income units—income units with 2 or more members and one-person income units. In Chart 4 the differences in the income distribution of income units of different sizes are clearly depicted.

While the individual characteristics of members of income units (education, labour force participation etc.) will influence the amount of income received by an income unit, in this section the emphasis is on 'family group' factors that could affect the amount of income received, for example, size of unit, type of unit and number of earners in the unit.

Income units of two or more persons

In 1978-79 the mean income of units with two or more members was \$15,000 per annum with a Gini coefficient of 0.32 (Table 13). The mean income varied with the size of the income unit from \$13,680 per annum for two-person units to \$17,030 for units comprising 5 people. Disaggregation by size of income unit reduces the Gini coefficients for all sub-groups except two person units, indicating more inequality in the income distribution of two-person units than in units with two or more members. This higher degree of inequality is probably due to the fact that pensioner couples are concentrated in the two-person income unit group along with other married couples without dependent children and the two groups have quite different mean incomes. The mean incomes of non-aged (husband aged 15-64 years) married couple units without dependent children and aged (husband aged 65 years and over) married couple units in 1978-79 were respectively \$16,410 and \$8,120 (Table 14). Type of income unit, while highlighting differences in the mean incomes of the various types of units from \$16,620 for non-aged married couple units with dependent children to \$6,130 for one-parent units with a female head is less helpful in explaining inequality as Gini coefficients were not reduced for all sub-groups.

A factor that has an important bearing on the income received by an income unit is the number of income earners in the unit. (An 'earner' was defined as any person who received income in 1978-79 from wages or salary, share in a partnership or from his own business.) This association between income level and number of earners is clearly illustrated in Chart 6 with the income distribution curve becoming flatter and centering at a higher level of income as the number of earners increases. The mean income in 1978-79 increased from \$5,910 for units with no earners to \$13,360 for those with one earner and \$19,630 for those with two earners (Table 15). The number of earners also helps explain the overall inequality in the income distribution of units with two or more members, with the Gini coefficients for nil, one and two-earner units all being lower than that for all income units of two or more persons.

One-person income units

One-person income units comprise people who are not married and have no dependent children. These people could be living alone, with a group of unrelated individuals, or with an income unit to whose members they are related. They represent quite a mixed group with respect to income received. The mean income of one-person units in 1978-79 was \$6,590 compared with \$15,000 for income units with two or more members and was less equally distributed, with Gini coefficients of 0.37 and 0.32 respectively (Table 12A).

Disaggregation by age and sex highlights mean income differences between different sub-groups (Table 16). Mean incomes of males were higher than those of females in each age group. For both males and females mean income was highest in the middle age group (25-64 for males and 25-59 for females) and lowest in the oldest age group. Age and sex explained some of the overall inequality in the income distribution of one-person income units with Gini coefficients in the six age-sex groups all being less than or equal to the Gini coefficient for all one-person income units.

It is of interest to note the very low share of income received by the lowest decile of one person units. In 1978-79 the lowest decile received 2.1 per cent of total income compared with 25.3 per cent for the top decile with respective mean incomes of \$1,360 and \$16,650 (Table 16). The very low mean income received by one-person income units in the lowest decile suggests that a number of one-person income units are probably not independent spending units but are part of a larger spending unit and dependent on that unit.

In 1978-79 the mean income of one-person units in which the person had 'earned' income was \$8,600 for males and \$7,090 for females (Table 17). For one-person units with no earned income the respective means were \$3,410 and \$3,390. Disaggregation by sex and whether or not in receipt of earned income produces Gini coefficients ranging from 0.25 to 0.36 compared with 0.37 for all one-person income units.

The final table in the section looks at all income units, the extent to which they were dependent on government cash benefits and the characteristics of these income units.

In 1978-79 approximately 987,000 income units (15.6 per cent of all units) derived ninety per cent or more of their income from government cash benefits (Table 18). The greatest incidence of such dependence was for one-parent units with a female head where 43.4 per cent derived ninety per cent or more of their income from government cash benefits; then came aged married couple units (42.0 per cent) and one-person units (22.4 per cent).

Mean income generally falls as dependence on government cash benefits increases. The mean income of those units that derived less than one per cent of their income in 1978-79 from government cash benefits was \$12,930 compared with \$3,590 for those deriving ninety per cent or more.

TABLE 12. ALL INCOME UNITS : TYPE OF INCOME UNIT, 1978-79

	Type of income unit			Total
	Married couple	One-parent	One-person	
Mean income(a)(\$)	15,500	7,320	6,590	11,310
Number (' 000)	3,333.7	218.7	2,773.5	6,325.9

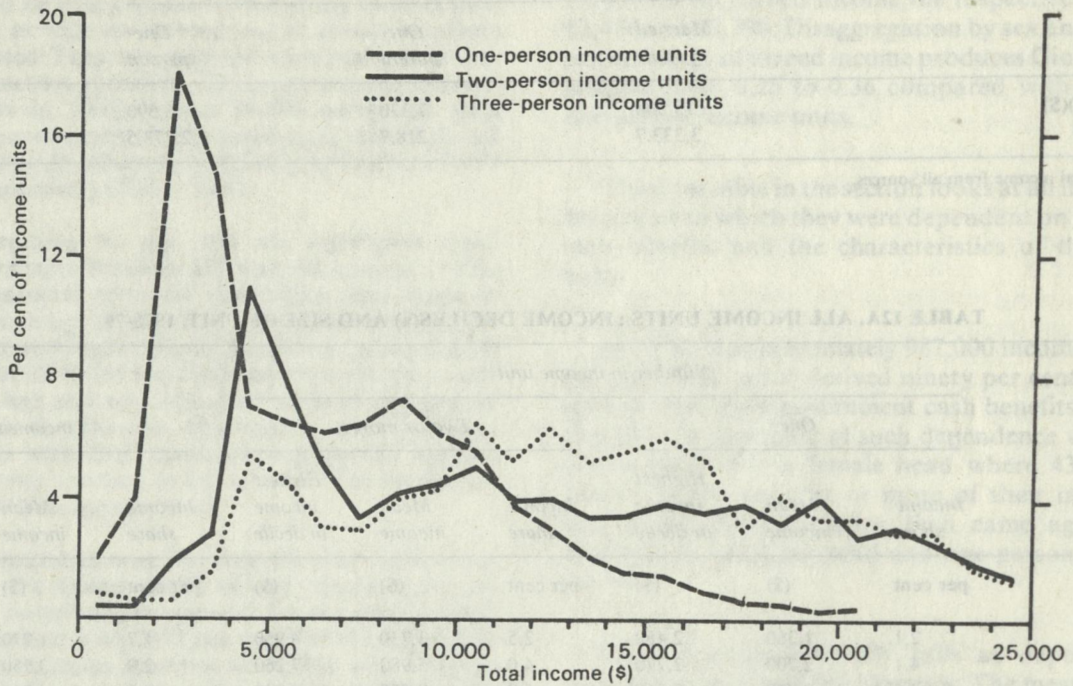
(a) Based on total income from all sources.

TABLE 12A. ALL INCOME UNITS : INCOME DECILES(a) AND SIZE OF UNIT, 1978-79

Decile class	Number in income unit						All income units		
	One			Two or more					
	Income share	Mean income	Highest income in decile	Income share	Mean income	Highest income in decile	Income share	Mean income	Highest income in decile
	per cent	(\$)	(\$)	per cent	(\$)	(\$)	per cent	(\$)	(\$)
Lowest	2.1	1,360	2,460	2.5	3,730	4,950	1.7	1,970	2,780
2nd	4.1	2,700	2,770	4.0	5,980	7,260	2.9	3,250	4,000
3rd	4.5	2,940	3,060	5.8	8,700	9,960	4.2	4,780	5,560
4th	5.3	3,460	3,960	7.3	10,870	11,870	5.8	6,570	7,670
5th	7.0	4,610	5,340	8.5	12,790	13,770	7.6	8,630	9,570
6th	9.4	6,170	7,000	9.9	14,840	15,800	9.3	10,530	11,550
7th	11.7	7,740	8,480	11.3	16,920	18,070	11.3	12,740	14,040
8th	14.0	9,210	10,000	12.9	19,380	20,760	13.8	15,560	17,180
9th	16.7	10,990	12,270	15.1	22,590	24,920	17.0	19,270	21,660
Highest	25.3	16,650	n.a.	22.8	34,160	n.a.	26.4	29,790	n.a.
Gini coefficient	0.37			0.32			0.39		
Mean income(\$)	6,590			15,000			11,310		
Median income(\$)	5,340			13,770			9,570		
Number (' 000)	2,773.5			3,552.4			6,325.9		

(a) Based on total income from all sources.

CHART 4. ALL INCOME UNITS: PROPORTION OF INCOME UNITS AT EACH LEVEL OF INCOME(a) BY SIZE OF UNIT, 1978-79



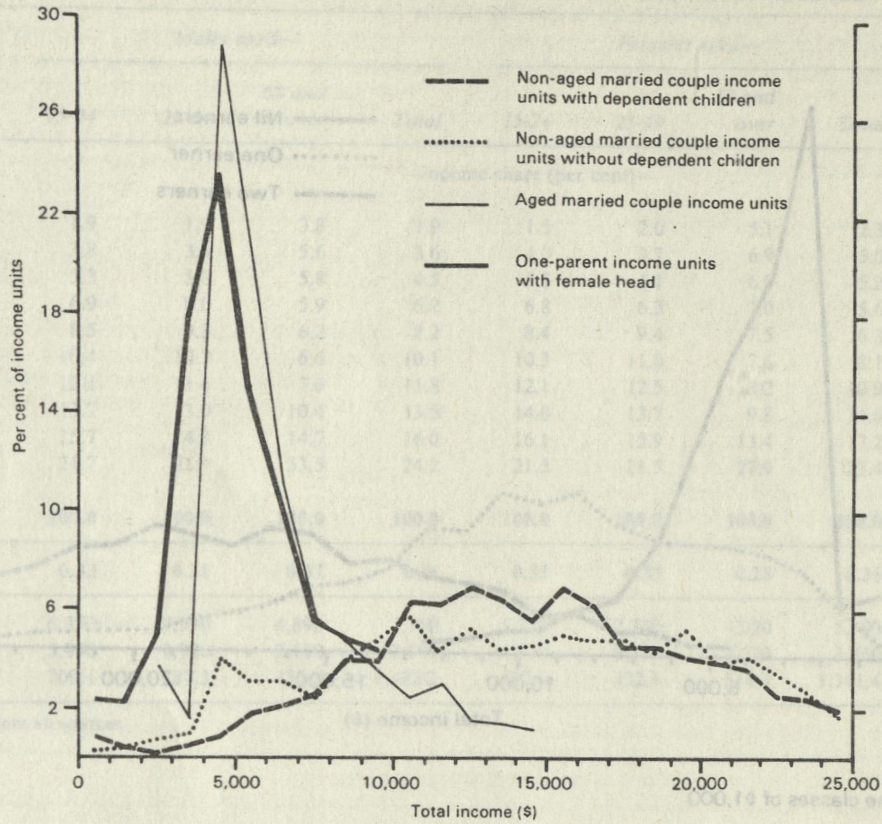
(a) Income classes of \$1,000

TABLE 13. INCOME UNITS OF TWO OR MORE PERSONS : INCOME DECILES(a) AND SIZE OF INCOME UNIT, 1978-79

Decile class	Number in income unit					Total	Mean income
	2	3	4	5	6 and over		
	—income share (per cent)—						(\$)
Lowest	2.5	2.5	3.3	3.0	3.4	2.5	3,730
2nd	3.6	4.4	5.6	5.6	5.3	4.0	5,980
3rd	4.5	6.2	6.8	6.9	6.4	5.8	8,700
4th	6.2	7.5	7.7	7.7	7.5	7.3	10,870
5th	7.8	8.6	8.6	8.9	8.6	8.5	12,790
6th	9.6	9.8	9.7	9.6	9.6	9.9	14,840
7th	11.7	11.1	10.8	10.7	10.8	11.3	16,920
8th	13.8	12.7	12.1	12.0	12.2	12.9	19,380
9th	16.1	14.9	14.0	14.2	14.1	15.1	22,590
Highest	24.3	22.3	21.4	21.5	22.2	22.8	34,160
Total	100.0	100.0	100.0	100.0	100.0	100.0	15,000
Gini coefficient	0.36	0.30	0.26	0.27	0.27	0.32	
Mean income(\$)	13,680	14,880	16,530	17,030	16,320	15,000	
Median income(\$)	11,880	13,770	15,160	15,720	14,810	13,770	
Number (' 000)	1,589.3	646.8	778.2	375.8	162.3	3,552.4	

(a) Based on total income from all sources.

CHART 5. INCOME UNITS OF TWO OR MORE PERSONS: PROPORTION OF INCOME UNITS AT EACH LEVEL OF INCOME(a) BY TYPE OF INCOME UNIT, 1978-79



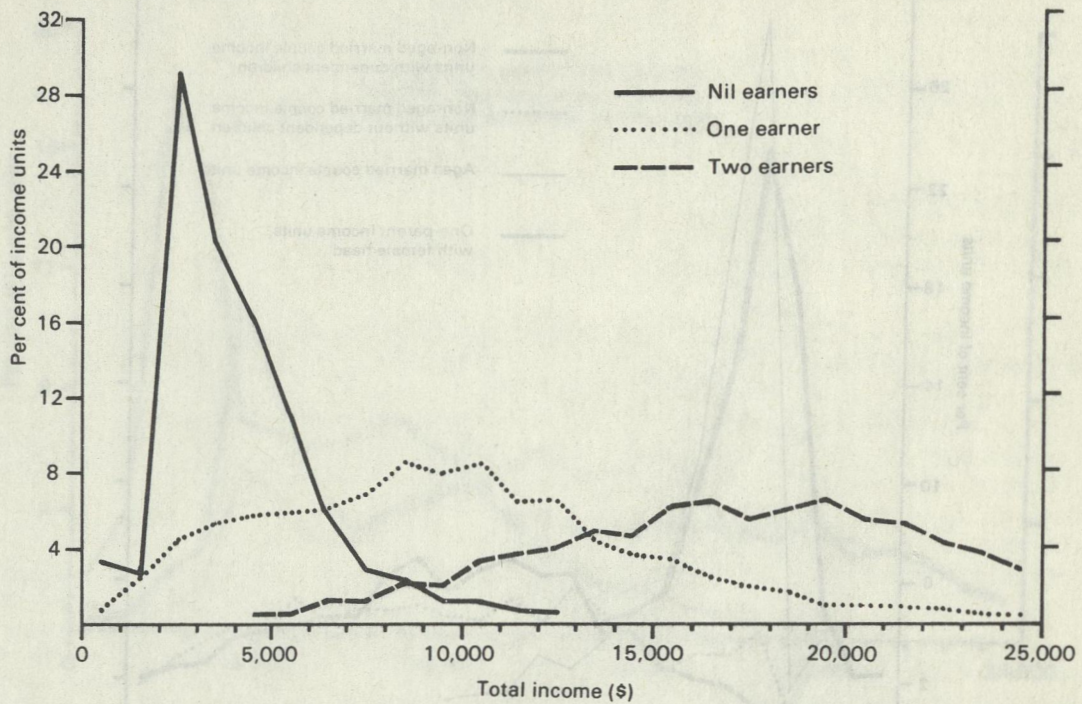
(a) Income classes of \$1,000

TABLE 14. INCOME UNITS OF TWO OR MORE PERSONS : INCOME DECILES(a) AND TYPE OF INCOME UNIT, 1978-79

Married couple income units						
Decile class	Husband aged 15-64 years		Husband aged 65 years or more	One parent income units		Total
	With dependent children	Without dependent children		Female head	Male head	Mean income
	—income share (per cent)—					(%)
Lowest	3.4	2.6	3.9	2.9	*	3,730
2nd	5.7	4.7	5.6	5.6	*	5,980
3rd	6.8	6.2	5.9	6.4	*	8,700
4th	7.7	7.4	6.2	7.0	*	10,870
5th	8.7	8.8	6.6	7.5	*	12,790
6th	9.6	10.0	7.4	8.4	*	14,840
7th	10.7	11.4	8.5	9.7	*	16,920
8th	12.2	12.7	10.8	11.4	*	19,380
9th	14.0	14.5	14.9	14.8	*	22,590
Highest	21.2	21.7	30.4	26.2	*	34,160
Total	100.0	100.0	100.0	100.0	100.0	15,000
Gini coefficient	0.26	0.29	0.34	0.31	0.37	0.32
Mean income(\$)	16,620	16,410	8,120	6,130	13,260	
Median income(\$)	15,200	15,450	5,640	4,790	10,550	
Number (' 000)	1,845.3	1,076.1	412.3	182.0	36.7	

(a) Based on total income from all sources.

CHART 6. INCOME UNITS OF TWO OR MORE PERSONS: PROPORTION OF INCOME UNITS AT EACH LEVEL OF INCOME(a) BY NUMBER OF EARNERS, 1978-79



(a) Income classes of \$1,000

TABLE 15. INCOME UNITS OF TWO OR MORE PERSONS : INCOME DECILES(a) AND NUMBER OF EARNERS(b) IN INCOME UNIT, 1978-79

Decile class	Number of earners in income unit			Mean income (\$)
	Nil	1	2	
	—income share (per cent)—			
Lowest	2.3	3.6	4.1	3,730
2nd	6.2	5.8	6.0	5,980
3rd	7.6	7.0	7.2	8,700
4th	7.9	7.9	8.1	10,870
5th	8.3	8.7	8.9	12,790
6th	8.8	9.6	9.8	14,840
7th	9.7	10.7	10.6	16,920
8th	10.9	11.9	11.7	19,380
9th	13.5	13.8	13.4	22,590
Highest	24.9	21.1	20.1	34,160
Total	100.0	100.0	100.0	15,000
Gini coefficient	0.28	0.25	0.23	
Mean income(\$)	5,910	13,360	19,630	
Median income(\$)	5,040	12,250	18,380	
Number (' 000)	598.4	1,314.3	1,639.7	

(a) Based on total income from all sources. (b) Persons who derived income from wages and salaries, share in partnerships or from their own business. The maximum number of earners (by definition) is two.

TABLE 16. ONE-PERSON INCOME UNITS : INCOME DECILES(a) AND AGE, 1978-79

Decile class	Males aged—				Females aged—				Total	Mean income
	15-24	25-64	65 and over	Total	15-24	25-59	60 and over	Total		
—income share (per cent)—										
Lowest	1.9	1.9	3.8	1.9	1.5	2.0	5.1	2.3	2.1	1,360
2nd	3.8	3.4	5.6	3.6	4.0	3.7	6.9	5.0	4.1	2,700
3rd	5.3	5.8	5.8	4.5	5.3	4.1	6.8	5.2	4.5	2,940
4th	6.9	8.0	5.9	6.2	6.8	6.3	7.0	5.6	5.3	3,460
5th	8.5	9.3	6.2	8.2	8.4	9.4	7.5	6.3	7.0	4,610
6th	10.4	10.3	6.6	10.1	10.3	11.0	7.6	8.1	9.4	6,170
7th	12.1	11.6	7.6	11.8	12.1	12.5	8.2	10.9	11.7	7,740
8th	13.7	13.0	10.4	13.5	14.0	13.7	9.8	14.0	14.0	9,210
9th	15.7	14.8	14.7	16.0	16.1	15.9	13.4	17.2	16.7	10,990
Highest	21.7	21.9	33.5	24.2	21.5	21.5	27.9	25.4	25.3	16,650
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
Gini coefficient	0.33	0.31	0.37	0.36	0.33	0.33	0.28	0.36	0.37	
Mean income(\$)	6,350	9,990	4,890	7,700	5,240	7,740	4,020	5,390	6,590	
Median income(\$)	5,990	9,920	3,110	7,100	4,930	8,120	3,020	3,810	5,340	
Number (' 000)	709.1	587.3	135.8	1,432.2	497.0	332.1	514.3	1,341.4	2,773.5	

(a) Based on total income from all sources.

TABLE 17. ONE-PERSON INCOME UNITS : INCOME DECILES(a) AND WHETHER OR NOT IN RECEIPT OF EARNED INCOME(b), 1978-79

Decile class	Males		Females	
	Without earned income	With earned income	Without earned income	With earned income
—income share (per cent)—				
Lowest	0.2	2.3	2.3	2.3
2nd	5.0	4.2	7.9	4.2
3rd	7.7	5.7	8.1	5.6
4th	8.0	7.4	8.2	7.2
5th	8.1	8.9	8.5	8.8
6th	8.6	10.1	8.9	10.2
7th	9.0	11.4	9.0	11.8
8th	9.7	12.9	9.9	13.3
9th	12.5	15.0	12.5	15.1
Highest	31.3	22.3	24.8	21.5
Total	100.0	100.0	100.0	100.0
Gini coefficient	0.36	0.31	0.25	0.31
Mean income(\$)	3,410	8,600	3,390	7,090
Median income(\$)	2,810	8,130	2,990	6,730
Number (' 000)	246.9	1,185.2	614.9	726.4

(a) Based on total income from all sources. (b) Income from wages and salaries, share in partnerships or from own business.

TABLE 18. ALL INCOME UNITS : PERCENTAGE CONTRIBUTION OF GOVERNMENT SOCIAL SECURITY AND WELFARE CASH BENEFITS TO TOTAL INCOME, 1978-79

		Per cent of income from government social security and welfare cash benefits						
		Nil and less than 1	1 and less than 20	20 and less than 50	50 and less than 90	90 and over	Total	
INCOME UNITS (Per cent)								
Income unit size—								
1 member		56.6	8.5	5.0	7.4	22.4	100.0	
2 members		55.8	12.0	5.6	10.2	16.5	100.0	
3 members		25.6	58.7	3.6	4.8	7.4	100.0	
4 members		2.2	91.3	1.9	1.3	3.2	100.0	
5 members		*	90.1	2.2	2.2	4.5	100.0	
6 or more members		*	83.0	5.8	*	8.6	100.0	
Income unit type—								
Non-aged married couple—								
With dependent children		9.8	83.6	2.4	1.4	2.8	100.0	
Without dependent children		77.4	10.7	2.9	3.8	5.2	100.0	
Aged married couple		10.8	8.6	11.9	26.7	42.0	100.0	
One-parent—								
Female head		*	23.9	10.5	20.3	43.4	100.0	
Male head		29.5	46.7	*	*	*	100.0	
One-person		56.6	8.5	5.0	7.4	22.4	100.0	
Total		41.8	31.5	4.5	6.7	15.6	100.0	

MEAN INCOME(\$)

Income unit size—						
1 member	8,510	6,920	5,220	3,540	2,910	6,590
2 members	18,020	14,200	9,790	5,970	4,710	13,680
3 members	24,100	13,310	8,790	5,320	4,550	14,880
4 members	42,330	16,650	9,030	6,050	4,390	16,530
5 members	*	17,880	9,290	5,520	4,870	17,030
6 or more members	*	18,050	9,510	*	6,770	16,320
Income unit type—						
Non-aged married couple—						
With dependent children	26,320	16,240	9,510	6,250	5,050	16,620
Without dependent children	18,130	14,870	10,150	6,020	5,080	16,410
Aged married couple	16,280	17,040	10,420	6,110	4,840	8,120
One-parent—						
Female head	*	9,760	6,060	5,050	4,160	6,130
Male head	15,450	16,030	*	*	*	13,260
One-person	8,510	6,920	5,220	3,540	2,910	6,590
Total	12,930	14,930	7,400	4,760	3,590	11,310

SECTION 3 : CHARACTERISTICS OF INCOME UNITS BY DECILE CLASS

In the two previous sections factors associated with the income distribution of individuals and income units were examined. Section 1 concentrated on individual characteristics—age, education and occupation—that influence income, while Section 2 examined group factors such as size of income unit, number of earners and type of unit. In this section both the individual and the group characteristics are examined in presenting a profile of people at the lower end of the income scale. As in earlier sections 'income' refers to *gross* income, i.e. income from all sources before tax or any other deductions are made.

Data are provided on the characteristics of income units by decile class. However, as already mentioned, there are problems in comparing income units of different sizes and composition. For this reason income unit data are presented, as in the previous section, for one-person income units and income units with two or more members. Income units with two or more members, however, represent quite a diverse group with respect to size and structure and for this reason income units with four members were selected from all income units with two or more members for additional analysis.

Income units with two or more members

In 1978-79 there were approximately 3,552,400 income units with two or more members. The mean income of this group in 1978-79 was \$15,000 and ranged from \$3,730 for units in the lowest decile to \$34,160 for units in the top decile (Table 19).

The likelihood of being in the lowest decile varied with the type of income unit. In 1978-79, 33.7 per cent of married couple units with the head aged 65 years or more were in the lowest decile and for one-parent units with a female head the corresponding percentage was 51.2 (Table 19). Decile representation was also associated with the size of the income unit. The proportion in the lowest decile ranged from 16.2 per cent for two-person income units to 3.0 per cent for four-person units (Table 20). The number of earners in an income unit also had a strong influence on income with 0.8 per cent of two-earner income units, 4.9 per cent of one-earner units and 46.5 per cent of units with nil earners in the lowest decile (Table 21).

Individual characteristics of income unit members will also influence the level of income the unit receives and some characteristics of the head of income units with two or more members are now examined. The level of income unit income was associated with the labour force participation of the head. Representation in the lowest decile decreased in 1978-79 with increased labour force participation of the head from 41.9 per cent for units in which the head did not work in 1978-79 to 2.0 per cent for units where the head was a full-year, full-time worker (Table 22). Representation in the lowest decile was also associated with age of head, falling from 14.9 per cent for heads aged 20-24 years to 4.3 per cent for heads 35-44 years then increasing steadily with age to 12.3 per cent for 60-64 year-olds and jumping to 33.8 per cent for income units with the head aged 65 years or more (Table 23). The education of the head of the income unit also influenced representation in various deciles. 16.5 per cent of units in which the head was without post-school qualifications and had left school at 14 or 15 years of age were in the lowest decile compared with 6.5 per cent of units headed by a person with trade qualifications. The representation in the lower deciles of heads with a degree is not possible to estimate because of the small sample sizes involved. But looking at the opposite end of the income scale, 39.3 per cent of income units in which the head had a degree were in the top decile, compared with 4.3 per cent of income units in which the head had no post-school qualifications and had left school at age 14 or 15 (Table 24). (Note: education qualification data were not collected in respect of persons 65 years of age and over.)

Representation in the lowest decile increased with dependence on government cash benefits as a source of income from 2.3 per cent for units that derived less than 1 per cent of their income from government cash benefits to 64.3 per cent for those deriving 90 per cent or more of their income from government cash benefits (Table 25).

One-person income units

In 1978-79 there were approximately 2.8 million one-person income units. The mean income of these units in 1978-79 was \$6,590 and ranged from \$1,360 for those units in the lowest decile to \$16,650 for those in the top decile (Table 26).

In examining one-person units by decile class it is apparent that two distinct groups exist at the lower end of the income scale. The first group is concentrated in the lowest decile and comprised in the main young people and people who worked part of the year or not at all (Tables 26 and 27). The low mean income of \$1,360 suggests that a number of these one-person units would not be independent spending units but rather part of a larger spending unit.

The other group is concentrated in the second and third deciles and comprises in the main older people, people who did not work in 1978-79 and people heavily dependent on government cash benefits for their income in 1978-79. This profile suggests the second and third deciles comprise a large number of pensioners, an observation borne out by the mean income of the second and third deciles which closely approximates the standard age pension rate (for single age pensioners) in 1978-79.

Income units with 4 members

The last group of tables in this section looks at income units with 4 members. These units comprise (by definition) married couple units with 2 dependent children and one-parent families with 3 dependent children. In 1978-79 there were 778,200 income units with 4 members—756,500 married couple units and 21,700 one-parent units (Table 29). The mean income of four-member units was \$16,530 and ranged from \$5,460 for those units in the lowest decile to \$35,280 for those in the top decile. Just under two-thirds of the 21,700 one-parent units were in the lowest decile.

Representation in the lowest decile:

- decreased as the number of earners increased, from 92.7 per cent for units with nil earners to 10.7 per cent for units with one earner and 3.5 per cent for units with two earners (Table 30);
- decreased with increased participation in the labour force, from 81.5 per cent for units where the head did not work in 1978-79 to 5.0 per cent for units where the head was a full-year, full-time worker (Table 31); and
- was lowest for units with the head 35-44 years of age, and greatest for units with the head 45 years of age and over.

Representation in deciles also varied with the educational attainment of the head from 42.4 per cent of units in which the head had a degree in the top decile compared with 4.1 per cent of units in which the head had no post-school qualification and had left school at 14 or 15 years of age (Table 33).

Finally, as noted in the previous section, the likelihood of being in the lowest decile increased with dependence on government cash benefits as a source of income. In 1978-79, 25,200 income units with 4 members derived ninety per cent or more of their income from government cash benefits and almost all of these units (95.0 per cent) were in the lowest decile (Table 34).

TABLE 19. INCOME UNITS OF TWO OR MORE PERSONS : DECILE CLASS AND TYPE OF INCOME UNIT, 1978-79

Decile class	Married couple income units			One-parent income units		Total income units with 2 or more persons
	Husband aged 15-64 years		Husband aged 65 years or more	Female head	Male head	Mean income
	With dependent children	Without dependent children				
	—per cent—					(\$)
Lowest	2.7	6.2	33.7	51.2	*	3,730
2nd	4.6	7.4	34.3	24.7	*	5,980
3rd	9.4	9.8	11.7	12.8	*	8,700
4th	11.6	9.7	5.4	3.8	21.7	10,870
5th	12.8	9.1	3.0	*	*	12,790
6th	12.9	9.5	2.2	*	*	14,840
7th	12.0	10.9	2.9	*	*	16,920
8th	11.4	12.3	2.0	*	*	19,380
9th	11.3	12.9	1.5	*	*	22,590
Highest	11.2	12.2	3.4	*	*	34,160
Total	100.0	100.0	100.0	100.0	100.0	15,000
	—' 000—					
Total	1,845.3	1,076.1	412.3	182.0	36.7	3,552.4

TABLE 20. INCOME UNITS OF TWO OR MORE PERSONS : DECILE CLASS AND SIZE OF INCOME UNIT, 1978-79

Decile class	Number in income unit				
	2	3	4	5	6 or more
	— per cent —				
Lowest	16.2	8.9	3.0	3.5	*
2nd	14.6	8.7	4.8	5.8	5.5
3rd	10.6	10.1	9.6	6.7	13.1
4th	8.6	11.5	11.3	10.5	10.8
5th	7.2	10.8	13.7	11.7	12.4
6th	7.2	11.8	12.0	13.3	12.8
7th	8.3	9.6	12.6	12.8	9.4
8th	8.9	9.8	11.1	11.9	12.3
9th	9.2	9.4	11.6	11.2	9.8
Highest	9.2	9.5	10.5	12.7	11.3
Total	100.0	100.0	100.0	100.0	100.0
	— '000 —				
Total	1,589.3	646.8	778.2	375.8	162.3

**TABLE 21. INCOME UNITS OF TWO OR MORE PERSONS : DECILE CLASS
AND NUMBER OF EARNERS(a) IN INCOME UNIT, 1978-79**

Decile class	Number of earners in income unit		
	Nil	1	2
	—per cent—		
Lowest	46.5	4.9	0.8
2nd	35.6	7.9	2.4
3rd	9.0	16.5	5.1
4th	3.5	17.2	6.6
5th	1.3	16.0	8.4
6th	1.1	12.5	11.3
7th	*	9.6	13.6
8th	*	6.4	16.3
9th	*	4.9	17.4
Highest	*	4.2	18.1
Total	100.0	100.0	100.0
	—'000—		
Total	598.4	1,314.3	1,639.7

(a) Persons who derived income from wages and salaries, share in partnerships or from their own business. The maximum number of earners (by definition) is two.

**TABLE 22. INCOME UNITS OF TWO OR MORE PERSONS : DECILE CLASS
AND LABOUR FORCE PARTICIPATION OF HEAD(a), 1978-79**

Decile class	Labour force participation of head				
	Full-year, full-time	Full-year, part-time	Part-year, full-time	Part-year, part-time	No weeks worked
	—per cent—				
Lowest	2.0	9.4	8.1	25.5	41.9
2nd	2.1	21.6	15.1	31.3	36.1
3rd	8.2	21.9	19.3	15.3	10.6
4th	11.1	*	13.3	13.6	4.3
5th	12.2	*	10.9	*	1.8
6th	12.5	*	9.5	*	1.5
7th	12.6	9.7	8.1	*	1.3
8th	12.9	*	7.3	*	*
9th	13.1	*	6.0	*	*
Highest	13.4	12.3	2.3	*	*
Total	100.0	100.0	100.0	100.0	100.0
	—'000—				
Total	2,493.4	67.2	320.1	49.0	622.6

(a) See technical notes.

TABLE 23. INCOME UNITS OF TWO OR MORE PERSONS : DECILE CLASS AND AGE OF HEAD, 1978-79

Decile-class	Age group (years)							65 and over
	15-19	20-24	25-34	35-44	45-54	55-59	60-64	
	—per cent—							
Lowest	*	14.9	5.8	4.3	6.4	7.8	12.3	33.8
2nd	*	5.5	5.8	5.6	5.6	7.3	18.5	34.2
3rd	*	12.1	7.7	9.2	10.1	10.5	16.0	11.8
4th	*	9.0	12.3	9.0	9.6	11.4	12.5	5.4
5th	*	9.9	12.9	9.7	10.6	10.6	10.3	3.0
6th	*	11.9	12.0	11.6	10.5	11.1	6.5	2.1
7th	*	12.1	11.1	12.3	10.8	10.7	5.8	2.9
8th	*	11.8	11.7	11.6	11.5	10.4	6.2	2.0
9th	*	9.2	11.6	13.8	10.9	8.6	5.8	1.5
Highest	*	3.6	9.1	13.1	14.0	11.6	6.1	3.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	—'000—							
Total	6.8	184.6	919.8	808.4	684.8	297.5	236.7	413.9

TABLE 24. INCOME UNITS OF TWO OR MORE PERSONS AND HEAD 15-64 YEARS OF AGE : DECILE CLASS AND EDUCATIONAL QUALIFICATIONS OF HEAD, 1978-79

Decile class	With post-school qualifications				Without post-school qualifications				
	Degree	Certificate (non-trade)/ diploma	Trade certificate	Other	Left school at age				
					18 or over	17	16	15 or 14	13 or under
	—per cent—								
Lowest	*	7.8	6.5	6.5	9.0	7.0	12.4	16.5	11.6
2nd	2.6	4.9	9.4	10.5	*	8.9	9.3	13.5	20.0
3rd	*	6.5	11.5	6.9	9.3	10.3	8.9	12.4	13.8
4th	3.8	6.9	11.4	8.2	10.2	9.4	11.9	11.4	11.1
5th	4.7	9.0	11.0	11.2	9.9	9.7	9.6	11.0	10.4
6th	4.2	10.7	13.6	11.2	11.2	10.2	10.3	7.8	8.0
7th	8.9	11.9	10.7	10.0	8.8	11.0	11.3	8.7	8.2
8th	14.8	12.1	10.5	14.2	13.1	12.6	8.6	7.1	6.9
9th	17.6	14.3	9.1	9.0	15.8	12.7	8.9	7.2	5.5
Highest	39.3	15.9	6.4	12.3	8.4	8.2	8.7	4.3	4.4
Total(a)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	—'000—								
Total(a)	239.7	428.0	824.9	115.0	83.7	137.1	251.5	833.4	213.4

(a) Excludes 11,600 persons who had never attended school.

TABLE 25. INCOME UNITS OF TWO OR MORE PERSONS : DECILE CLASS AND PROPORTION OF UNIT'S INCOME DERIVED FROM GOVERNMENT SOCIAL SECURITY AND WELFARE CASH BENEFITS, 1978-79

Decile class	Per cent of income from government social security and welfare cash benefits				
	Nil and less than 1	1 and less than 20	20 and less than 50	50 and less than 90	90 and over
	—per cent—				
Lowest	2.3	1.5	14.3	21.9	64.3
2nd	2.5	3.4	18.9	62.3	29.3
3rd	7.5	10.7	29.2	12.9	4.8
4th	8.1	13.7	11.9	*	*
5th	8.2	14.3	10.2	*	*
6th	9.2	14.1	5.9	*	*
7th	10.7	13.3	4.8	*	*
8th	16.3	10.1	*	*	*
9th	17.0	9.7	*	*	*
Highest	18.1	9.1	*	*	*
Total	100.0	100.0	100.0	100.0	100.0
	—'000—				
Total	1,072.7	1,753.8	144.4	215.5	366.0

TABLE 26. ONE-PERSON INCOME UNITS : DECILE CLASS AND LABOUR FORCE PARTICIPATION(a), 1978-79

Decile class	Labour force participation					Total one-person units
	Full-year, full-time	Full-year, part-time	Part-year, full-time	Part-year, part-time	No weeks worked	Mean income
	—per cent—					(\$)
Lowest	2.0	13.0	19.6	31.0	12.6	1,360
2nd	*	9.4	5.3	*	27.3	2,700
3rd	*	*	5.6	11.7	26.8	2,940
4th	2.8	13.6	13.2	17.7	17.0	3,460
5th	8.8	20.1	15.6	15.8	6.6	4,610
6th	11.5	16.7	14.7	9.9	4.3	6,170
7th	16.1	8.8	9.7	*	2.2	7,740
8th	18.5	*	7.6	*	1.1	9,210
9th	19.5	*	5.2	*	0.9	10,990
Highest	20.1	*	3.6	*	1.1	16,650
Total	100.0	100.0	100.0	100.0	100.0	6,590
	—'000—					
Total	1,208.9	77.9	539.4	101.0	846.4	2,773.5

(a) See technical notes.

TABLE 27. ONE-PERSON INCOME UNITS : DECILE CLASS AND AGE, 1978-79

Decile class	Males aged—			Females aged—		
	15-24	25-64	65 and over	15-24	25-59	60 and over
	—per cent—					
Lowest	14.4	5.2	5.5	19.5	6.5	3.7
2nd	4.8	4.6	20.6	5.3	7.8	26.6
3rd	3.5	4.5	22.1	5.0	9.8	27.1
4th	7.7	4.2	20.8	9.6	7.4	19.1
5th	14.1	5.1	7.4	15.1	4.8	9.0
6th	13.9	5.6	7.8	17.4	7.0	5.0
7th	14.3	9.4	*	13.4	9.8	3.0
8th	12.9	13.2	*	8.8	15.4	2.0
9th	9.5	19.2	*	4.9	16.5	2.4
Highest	5.0	29.1	5.2	*	15.0	2.0
Total	100.0	100.0	100.0	100.0	100.0	100.0
	—'000—					
Total	709.1	587.3	135.8	497.0	332.1	512.2

TABLE 28. ONE-PERSON INCOME UNITS : DECILE CLASS AND PROPORTION OF INCOME DERIVED FROM GOVERNMENT SOCIAL SECURITY AND WELFARE CASH BENEFITS, 1978-79

Decile class	Per cent of income from government social security and welfare cash benefits				
	Nil and less than 1	1 and less than 20	20 and less than 50	50 and less than 90	90 and over
	—per cent—				
Lowest	9.9	6.3	13.1	14.1	9.5
2nd	1.3	4.0	4.6	3.4	37.7
3rd	1.3	2.7	5.7	6.3	37.0
4th	4.2	8.8	14.5	51.1	10.4
5th	9.1	18.8	21.5	20.8	2.7
6th	11.4	22.9	18.8	*	2.1
7th	14.4	13.4	11.4	*	*
8th	15.8	9.8	*	*	*
9th	16.2	6.9	*	*	*
Highest	16.4	6.4	*	*	*
Total	100.0	100.0	100.0	100.0	100.0
	—'000—				
Total	1,570.0	236.3	139.6	206.3	621.3

TABLE 29. INCOME UNITS OF FOUR PERSONS : DECILE CLASS AND
TYPE OF INCOME UNIT, 1978-79

Decile class	Type of income unit		Total Mean income (\$)
	Married couple	One- parent	
	—per cent—		
Lowest	8.4	65.8	5,460
2nd	10.0	*	9,340
3rd	10.2	*	11,230
4th	10.1	*	12,740
5th	10.1	*	14,290
6th	10.2	*	15,970
7th	10.2	*	17,740
8th	10.3	*	20,050
9th	10.2	*	23,110
Highest	10.2	*	35,280
Total	100.0	100.0	16,530
	—'000—		
Total	756.5	21.7	778.2

TABLE 30. INCOME UNITS OF FOUR PERSONS : DECILE CLASS AND
NUMBER OF EARNERS IN INCOME UNIT, 1978-79

Decile class	Number of earners in income unit		
	Nil	1	2
	—per cent—		
Lowest	92.7	10.7	3.5
2nd	*	15.4	5.7
3rd	*	15.1	6.1
4th	*	14.7	6.5
5th	*	12.0	8.9
6th	*	9.4	11.2
7th	*	8.5	12.1
8th	*	5.0	15.0
9th	*	5.0	15.1
Highest	*	4.0	15.9
Total	100.0	100.0	100.0
	—'000—		
Total	28.2	348.8	401.2

TABLE 31. INCOME UNITS OF FOUR PERSONS : DECILE CLASS AND
LABOUR FORCE PARTICIPATION OF HEAD(a), 1978-79

Decile class	Labour force participation of head				
	Full-year, full-time	Full-year, part-time	Part-year, full-time	Part-year, part-time	No weeks worked
	—per cent—				
Lowest	5.0	*	25.8	*	81.5
2nd	9.1	*	18.2	*	*
3rd	10.2	*	8.9	*	*
4th	10.6	*	*	*	*
5th	10.4	*	10.9	*	*
6th	10.6	*	*	*	*
7th	10.8	*	*	*	*
8th	10.9	*	*	*	*
9th	10.8	*	*	*	*
Highest	11.5	*	*	*	*
Total	100.0	100.0	100.0	100.0	100.0
	—'000—				
Total	669.8	*	72.8	*	25.6

(a) See technical note.

TABLE 32. INCOME UNITS OF FOUR PERSONS : DECILE CLASS AND
AGE OF HEAD, 1978-79

Decile class	Age group (years)			
	15-24	25-34	35-44	45 and over
	—per cent—			
Lowest	*	10.1	7.7	13.2
2nd	*	9.6	9.0	10.6
3rd	*	12.9	8.3	7.9
4th	*	14.5	7.3	6.2
5th	*	11.4	10.0	6.7
6th	*	9.2	11.0	9.9
7th	*	10.3	9.9	10.7
8th	*	8.9	10.6	11.1
9th	*	7.5	13.1	10.1
Highest	*	5.7	13.1	13.7
Total	100.0	100.0	100.0	100.0
	—'000—			
Total	14.9	309.6	297.2	156.4

TABLE 33. INCOME UNITS OF FOUR PERSONS : DECILE CLASS AND EDUCATIONAL QUALIFICATIONS OF HEAD, 1978-79(a)

Decile class	With post-school qualifications				Without post-school qualifications				
	Degree	Certificate (non-trade)/ diploma	Trade certificate	Other	Left school at age				
					18 or over	17	16	15 or 14	13 or under
—per cent—									
Lowest	*	*	8.0	*	*	*	*	16.1	20.7
2nd	*	*	10.4	*	*	*	*	13.2	24.8
3rd	*	8.0	10.4	*	*	*	14.6	12.4	*
4th	*	7.4	12.6	*	*	*	*	11.1	*
5th	*	10.3	11.1	*	*	*	*	9.7	*
6th	*	12.4	12.9	*	*	*	11.6	7.1	*
7th	*	12.8	9.3	*	*	*	15.1	9.5	*
8th	17.3	12.9	8.4	*	*	*	*	8.4	*
9th	14.0	14.1	10.1	*	*	*	12.3	8.3	*
Highest	42.4	13.6	6.8	*	*	*	*	4.1	*
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
—'000—									
Total	63.1	112.1	222.2	27.7	21.6	37.1	56.7	186.1	48.7

(a) Excludes a small number of income units where either the head had never been to school or was 65 years of age or over.

TABLE 34. INCOME UNITS OF FOUR PERSONS : DECILE CLASS AND PROPORTION OF UNIT'S INCOME DERIVED FROM GOVERNMENT SOCIAL SECURITY AND WELFARE CASH BENEFITS, 1978-79

Decile class	Per cent of income from government social security and welfare cash benefits				
	Nil and less than 1	1 and less than 20	20 and less than 50	50 and less than 90	90 and over
—per cent—					
Lowest	*	5.4	*	82.6	95.0
2nd	*	10.0	*	*	*
3rd	*	10.6	*	*	*
4th	*	10.6	*	*	*
5th	*	10.9	*	*	*
6th	*	10.7	*	*	*
7th	*	10.9	*	*	*
8th	*	10.7	*	*	*
9th	*	10.7	*	*	*
Highest	65.5	9.4	*	*	*
Total	100.0	100.0	100.0	100.0	100.0
—'000—					
Total	17.2	710.1	15.2	10.5	25.2

SECTION 4. IMPACT OF PERSONAL INCOME TAX AND GOVERNMENT CASH BENEFITS ON INCOME DISTRIBUTION

In the first three Sections the demographic and labour force characteristics of individuals and income units were examined in order to gauge their effect on the distribution of gross income. In this Section the focus of attention is on how government expenditure and revenue raising activities affect the distribution of income.

While it can be argued that all government activities have at least an indirect income redistribution effect, the analysis in this Section considers the impact on income distribution of two policy instruments, personal income taxation and government cash benefits for social security and welfare purposes. The aggregate fiscal impact of these two policy instruments is large, accounting for, respectively, 40 per cent of total government receipts and about 20 per cent of total government outlays. They have particular significance since the progressiveness of income tax scales and the income determined eligibility for most social security and welfare cash benefits have a positive redistributive effect.

Users should note that what follows is no more than a partial analysis of the impact of government activities on income distribution. It has already been noted that other government activities may also contribute in various ways to a redistribution of income. In addition, the analysis does not take account of any effect that income taxation and cash benefits programmes and their current structure may have had on the income generating behaviour of individuals, and hence on the income distribution.

Redistributive impact of personal income taxes

In Chart 7 the distribution of gross income (i.e. total income from all sources before income tax or any other deductions are made) is compared with the distribution of post-tax income (i.e. gross income minus income tax payments). From this chart it can be seen that after allowance is made for income tax payments the distribution is less spread and this is reflected in the Gini coefficient where deducting income tax reduces the coefficient from 0.39 to 0.36. The income share of the top twenty per cent of income units is 2.1 percentage points lower when personal income taxes are deducted than that group's share of gross income. The income share of the lowest twenty per cent is correspondingly 0.9 percentage points higher (Table 36).

In 1978-79 income units in the lowest decile paid 1.1 per cent of their income as income tax and this increased with each decile to 23.3 per cent for the top decile (Table 37). As a result, the contribution to total income tax revenue increases with each decile: 0.1 per cent from the lowest decile to 34.2 per cent from the top decile.

Redistributive impact of government social security and welfare cash benefits

Chart 8 compares the distribution of actual gross income with its distribution after deduction of cash benefits for social security and welfare purposes. The exclusion of cash benefits alters considerably the lower part of the income distribution curve since many income units are reduced to hypothetically low and even nil incomes. Compared with the distribution of total gross income the income share of units in the bottom two deciles is 4.3 percentage points lower when these cash benefits are deducted while the income share of units in the top two deciles is 3.9 percentage points higher (Table 36). Inequality is increased with the Gini coefficient increasing from 0.39 to 0.48.

Cash benefits as a percentage of total income decrease considerably as income increases—from 71.5 per cent for income units in the lowest decile to 1.6 per cent for units in the top decile (Table 37). In addition, income units in the lower deciles receive the greater share of these cash benefits; the lowest three deciles received 56.4 per cent of cash benefit payments for social security and welfare by the government in 1978-79 compared with the 12.5 per cent that went to income units in the top three deciles.

Finally by putting cash benefits and income tax payments together the net gain or loss to income units by decile class can be ascertained. The third column in Table 37 gives details of the relative gain or loss to income units through the operation of the income tax system and the cash benefits for social security and welfare system. The gain/loss represents government cash benefits less income tax payments for each decile class expressed as a percentage of the total gross income of the decile class. Income units in the lowest decile have a 70 per cent gain. This gain falls as income rises and from the fourth to the fifth decile a gain of 15.9 per cent turns to a loss of 6.9 per cent. The size of the loss increases to 21.7 per cent for units in the top decile.

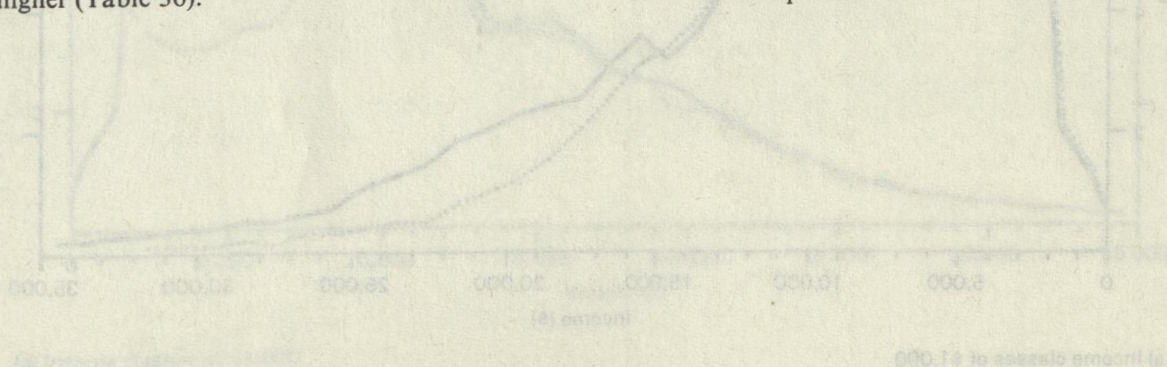
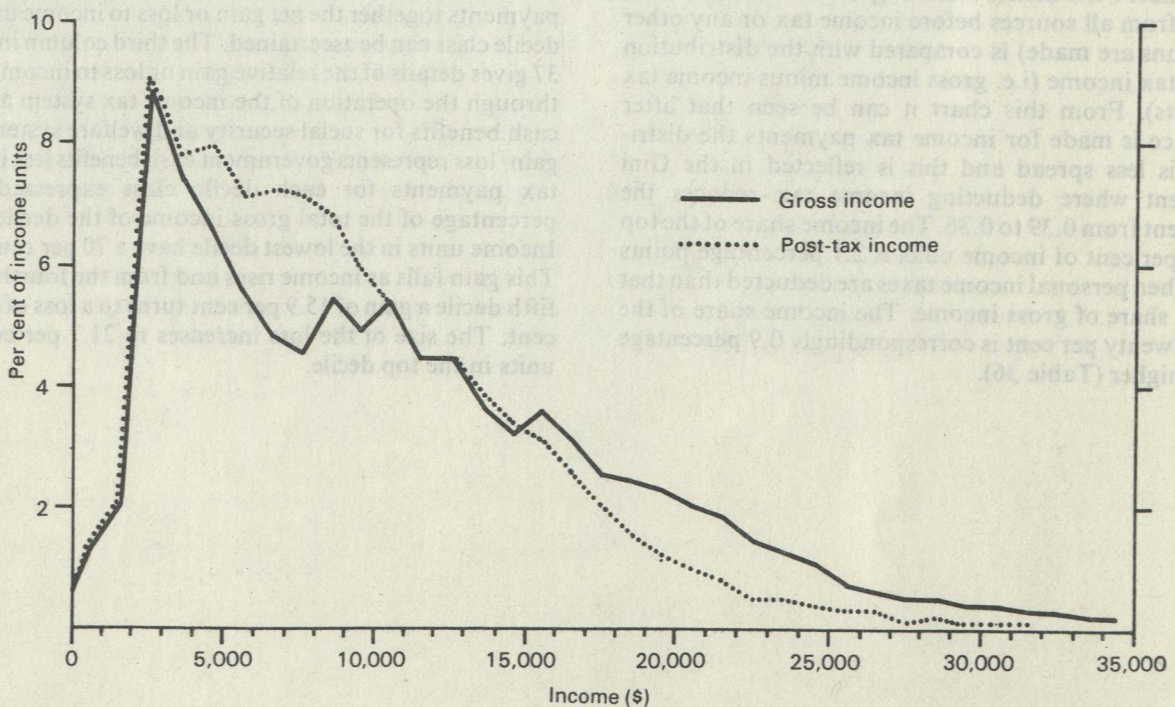


TABLE 35. ALL PUBLIC AUTHORITIES: TAXATION BY TYPE OF TAX

Type of tax	1968-69	1973-74	1978-79
	—per cent—		
Income tax—			
individuals	35.2	40.0	43.4
companies(a)	15.3	14.7	10.6
Customs duty	5.1	4.4	4.9
Excise duties	13.4	11.3	13.0
Sales tax	7.3	7.1	6.0
Property taxes	6.4	5.1	(b)5.1
Payroll tax	3.0	4.9	5.2
Other	14.3	12.5	11.6
Total taxation receipts	100.0	100.0	100.0
	—\$ million—		
Total taxation receipts	6,747.8	13,707.4	29,465.9
	—per cent—		
Taxation receipts as a percentage of—			
household income	31.5	32.4	33.9
all public authority receipts	89.1	92.6	91.8

(a) Includes dividend and interest (withholding) taxes; excludes income tax paid by public enterprises. (b) Estimated.

CHART 7. ALL INCOME UNITS: PROPORTION OF INCOME UNITS AT EACH LEVEL OF GROSS INCOME AND POST-TAX INCOME, 1978-79(a)



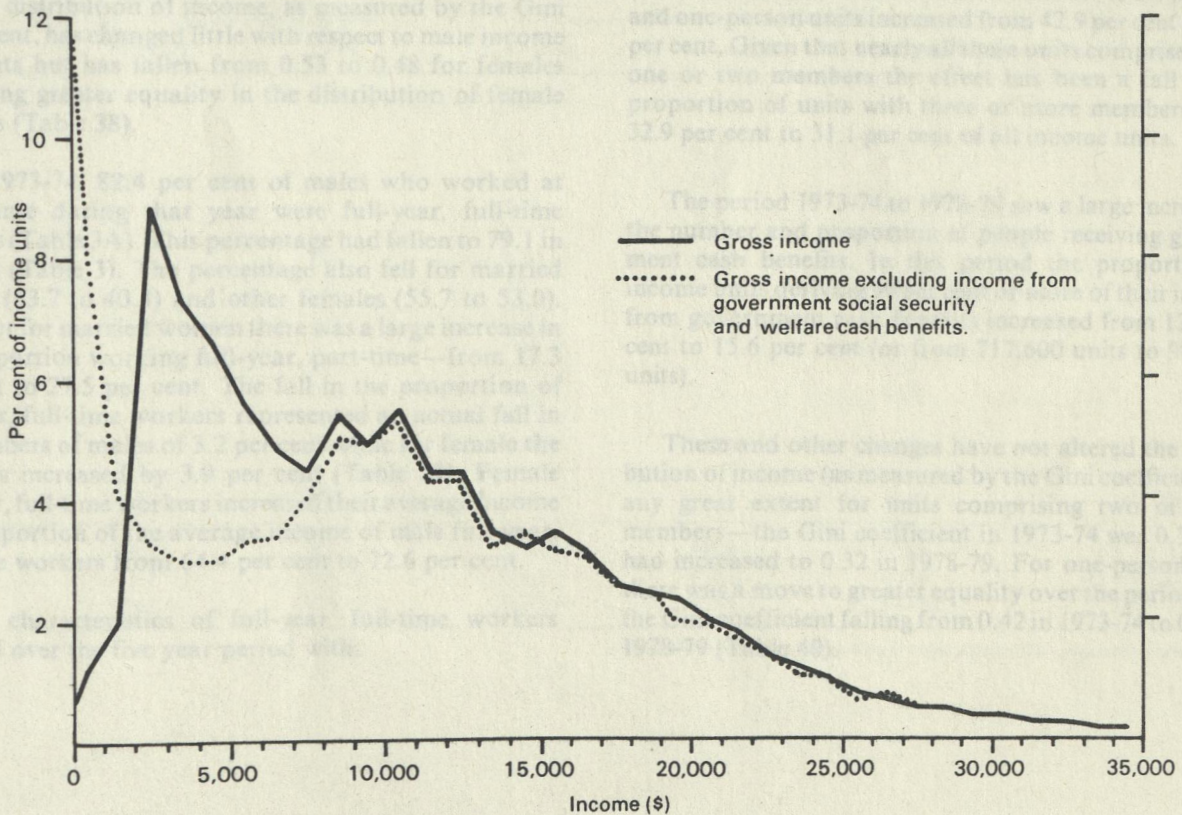
(a) Income classes of \$1,000

TABLE 36. ALL INCOME UNITS: INCOME DECILES FOR SELECTED MEASURES OF INCOME, 1978-79

Decile class	Gross income(a)	Post-tax income(b)	Gross income less government cash benefits(c)
—income share (percent)—			
Lowest	1.7	2.1	...
2nd	2.9	3.4	0.3
3rd	4.2	4.9	2.3
4th	5.8	6.3	5.4
5th	7.6	7.8	8.0
6th	9.3	9.4	9.9
7th	11.3	11.2	12.1
8th	13.8	13.5	14.8
9th	17.0	16.5	18.5
Highest	26.4	24.8	28.8
Total	100.0	100.0	100.0
—(dollars)—			
Gini coefficient	0.39	0.36	0.48
Mean income	11,310	9,280	10,210
Median income	9,570	7,990	9,200

(a) Before income tax is deducted. (b) After income tax has been deducted. (c) For social security and welfare purposes.

CHART 8. ALL INCOME UNITS: PROPORTION OF INCOME UNITS AT EACH LEVEL OF GROSS INCOME AND GROSS INCOME EXCLUDING INCOME FROM GOVERNMENT SOCIAL SECURITY AND WELFARE CASH BENEFITS, 1978-79(a)



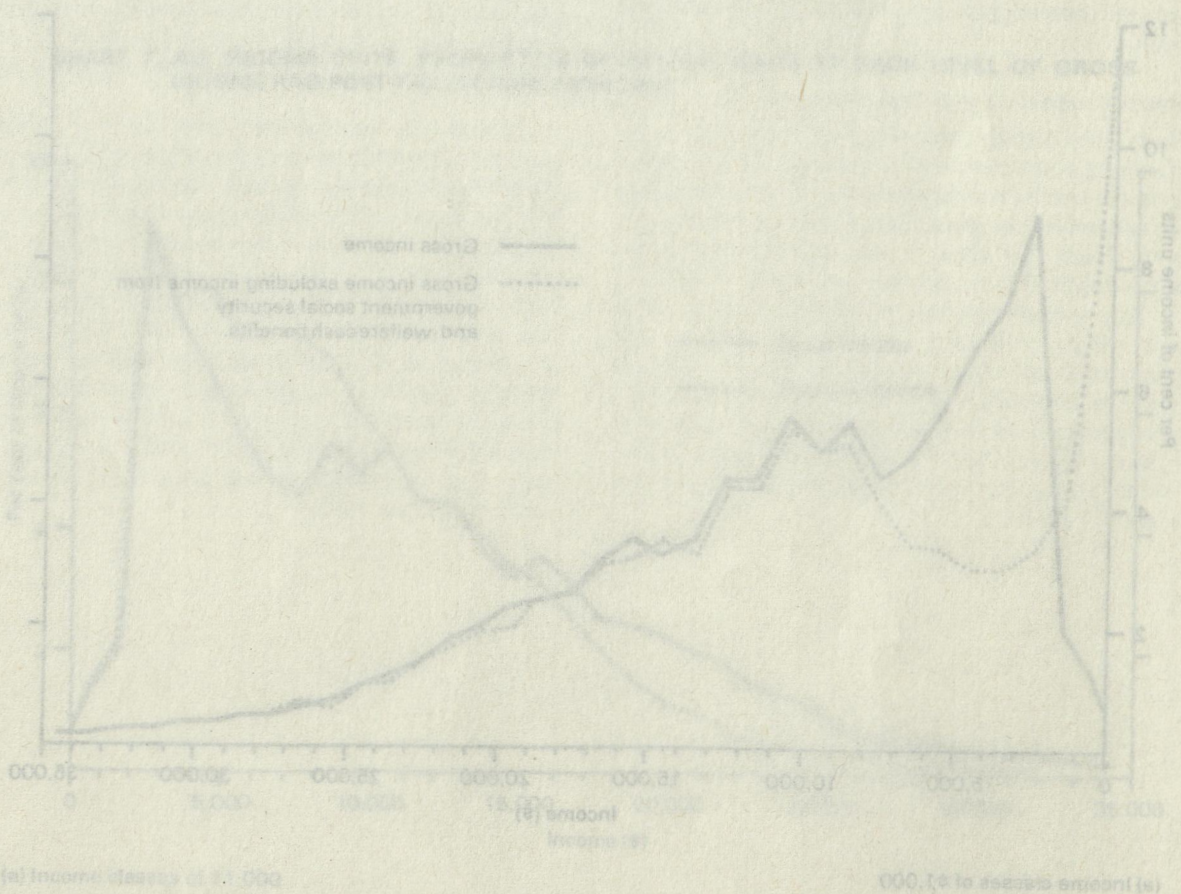
(a) Income classes of \$1,000

TABLE 37. ALL INCOME UNITS: INCOME TAX PAYMENTS AND GOVERNMENT CASH PAYMENTS(a) BY DECILE CLASS, 1978-79
(per cent)

Decile class	Income tax as a percentage of gross income	Government cash benefits as a percentage of gross income	Net gain/loss(b)	Percentage of income tax paid	Percentage of cash benefits received
Lowest	1.1	71.5	+70.4	0.1	12.8
2nd	1.8	68.4	+66.6	0.3	20.3
3rd	3.8	53.5	+49.7	0.9	23.3
4th	9.6	25.5	+15.9	3.1	15.3
5th	15.1	8.2	-6.9	6.4	6.5
6th	17.1	4.9	-12.2	8.9	4.7
7th	18.6	3.9	-14.7	11.7	4.5
8th	19.2	2.9	-16.3	14.7	4.2
9th	20.7	2.3	-18.4	19.7	4.0
Highest	23.3	1.6	-21.7	34.2	4.3
Total	17.9	9.7	-8.2	100.0	100.0

(a) For social security and welfare purposes. (b) Government cash benefits received minus income tax paid as a percentage of gross income.

CHART 8. ALL INCOME UNITS: PROPORTION OF INCOME UNITS AT EACH LEVEL OF GROSS INCOME AND GROSS INCOME EXCLUDING INCOME FROM GOVERNMENT SOCIAL SECURITY AND WELFARE CASH BENEFITS, 1978-79



SECTION 5. INCOME DISTRIBUTION, 1973-74 AND 1978-79

In this section a brief examination is made of changes that have occurred between 1973-74 and 1978-79 with respect to the distribution of gross income. This comparison looks first at individuals and then at income units. (Readers are referred to the technical notes at the back of this publication for a discussion of comparability between income surveys.)

Over the period 1973-74 to 1978-79 the number of income recipients increased by 9.8 per cent or from 8.7 million to 9.6 million (Table 38). Male income recipients increased by 7.7 per cent and female income recipients by 12.0 per cent. At the same time the average income of female income recipients increased as a percentage of the average income of male income recipients from 37.8 per cent to 46.4 per cent.

'Wages and salary' is the principal source of income for the majority of income recipients although the proportion of income recipients with wages and salary as their principal source of income fell between 1973-74 and 1978-79—from 75.1 per cent to 67.1 per cent for males, 43.5 per cent to 39.6 per cent for married women and 51.3 per cent to 44.8 per cent for other females (Tables 2 and 2A). At the same time there was an increase in the proportion of income recipients with government cash benefits as their principal source of income—from 24.8 per cent to 29.1 per cent. This increase was confined to males and other (than married) females.

The distribution of income, as measured by the Gini coefficient, has changed little with respect to male income recipients but has fallen from 0.53 to 0.48 for females indicating greater equality in the distribution of female incomes (Table 38).

In 1973-74, 82.4 per cent of males who worked at some time during that year were full-year, full-time workers (Table 3A). This percentage had fallen to 79.1 in 1978-79 (Table 3). The percentage also fell for married women (43.7 to 40.3) and other females (55.7 to 53.0). However for married women there was a large increase in the proportion working full-year, part-time—from 17.3 per cent to 27.5 per cent. The fall in the proportion of full-year, full-time workers represented an actual fall in the numbers of males of 3.2 per cent while for female the numbers increased by 3.9 per cent (Table 39). Female full-year, full-time workers increased their average income as a proportion of the average income of male full-year, full-time workers from 64.4 per cent to 72.6 per cent.

The characteristics of full-year, full-time workers changed over the five year period with:

- (a) the proportion of females increasing from 25.0 per cent to 28.4 per cent;
- (b) the proportion in the occupation group 'professional, technical, and related workers' increasing for both males and females. For males the proportion increased from 11.2 per cent to 12.8 per cent and for females from 16.2 per cent to 20.6 per cent; and
- (c) the proportion with post-school qualifications increased from 35.8 per cent to 50.9 per cent for males and from 28.9 per cent to 41.2 per cent for females.

The overall result of changes that have occurred between 1973-74 and 1978-79 is that the Gini coefficient for full-year, full-time workers has fallen for both males (from 0.26 to 0.25) and females (from 0.23 to 0.21) indicating greater equality (Table 39).

Turning now to income units, over the period 1973-74 to 1978-79 the number of income units increased by 9.7 per cent or from 5.8 million to 6.3 million. As well as this increase in numbers there were also changes in the size and structure of income units over this period. The proportion of aged married couple units increased from 5.6 per cent to 6.5 per cent of all income units, one-parent units with a female head increased from 2.7 to 2.9 per cent and one-person units increased from 42.9 per cent to 43.8 per cent. Given that nearly all these units comprise either one or two members the effect has been a fall in the proportion of units with three or more members from 32.9 per cent to 31.1 per cent of all income units.

The period 1973-74 to 1978-79 saw a large increase in the number and proportion of people receiving government cash benefits. In this period the proportion of income units deriving 90 per cent or more of their income from government cash benefits increased from 12.4 per cent to 15.6 per cent (or from 717,600 units to 987,300 units).

These and other changes have not altered the distribution of income (as measured by the Gini coefficient) to any great extent for units comprising two or more members—the Gini coefficient in 1973-74 was 0.31 and had increased to 0.32 in 1978-79. For one-person units there was a move to greater equality over the period with the Gini coefficient falling from 0.42 in 1973-74 to 0.37 in 1978-79 (Table 40).

TABLE 38. ALL INCOME RECIPIENTS: INCOME DECILES(a), 1973-74 AND 1978-79

Decile class	1973-74			1978-79		
	Males	Females	Persons	Males	Females	Persons
—income share (per cent)—						
Lowest	1.4	0.2	0.2	1.7	0.5	0.5
2nd	3.2	0.6	1.3	3.1	1.3	2.2
3rd	5.7	1.7	2.9	5.0	3.0	3.6
4th	7.6	4.4	4.3	7.2	5.2	4.8
5th	8.8	5.7	7.1	8.9	6.2	7.0
6th	9.9	7.5	9.8	10.1	8.1	9.8
7th	11.1	11.2	12.2	11.5	11.2	12.2
8th	12.7	15.6	14.6	13.1	15.3	14.5
9th	15.1	20.2	18.0	15.4	19.5	17.7
Highest	24.6	33.0	29.6	23.9	29.7	27.8
Total	100.0	100.0	100.0	100.0	100.0	100.0
Gini coefficient	0.35	0.53	0.47	0.35	0.48	0.44
Mean income (\$)	5,710	2,160	3,980	10,170	4,720	7,450
Median income (\$)	5,300	1,330	3,400	9,710	3,230	6,240
Number ('000)	4,466.8	4,265.6	8,732.5	4,810.9	4,779.6	9,590.4

(a) Based on total income from all sources.

TABLE 39. FULL-YEAR, FULL-TIME WORKERS: EARNED INCOME(a) DECILES, 1973-74 AND 1978-79

Decile class	1973-74			1978-79		
	Males	Females	Persons	Males	Females	Persons
—income share (per cent)—						
Lowest	3.4	3.5	3.2	3.4	3.8	3.4
2nd	5.9	6.1	5.5	6.0	6.4	5.9
3rd	7.0	7.3	6.7	7.1	7.7	7.1
4th	7.8	8.3	7.7	8.0	8.6	8.0
5th	8.6	9.1	8.5	8.8	9.4	8.7
6th	9.4	9.8	9.5	9.7	10.1	9.6
7th	10.4	10.8	10.5	10.6	10.8	10.7
8th	11.7	11.9	12.0	11.9	11.8	11.9
9th	13.9	13.7	14.1	13.7	13.4	13.9
Highest	21.8	19.7	22.2	20.9	18.0	20.9
Total	100.0	100.0	100.0	100.0	100.0	100.0
Gini coefficient	0.26	0.23	0.27	0.25	0.21	0.25
Mean income (\$)	6,650	4,280	6,060	12,320	8,950	11,430
Median income (\$)	6,000	4,000	5,440	11,360	8,650	10,420
Number ('000)	3,292.3	1,099.8	4,392.1	3,187.9	1,142.7	4,330.6

(a) Income from wages and salaries, share in partnerships or from own business.

TABLE 40. ALL INCOME UNITS: INCOME DECILES(a) AND SIZE OF UNIT, 1973-74 AND 1978-79

Decile class	1973-74		1978-79	
	Number of persons in unit			
	one	two or more	one	two or more
—income share (per cent)—				
Lowest	1.1	2.3	2.1	2.5
2nd	3.5	4.6	4.1	4.0
3rd	3.8	6.3	4.5	5.8
4th	4.8	7.4	5.3	7.3
5th	6.7	8.5	7.0	8.5
6th	9.2	9.6	9.4	9.9
7th	11.6	10.9	11.7	11.3
8th	14.1	12.6	14.0	12.9
9th	17.4	14.8	16.7	15.1
Highest	27.8	23.1	25.3	22.8
Total	100.0	100.0	100.0	100.0
Gini coefficient	0.42	0.31	0.37	0.32
Mean income (\$)	3,350	8,050	6,590	15,000
Median income (\$)	2,640	7,260	5,340	13,770
Number (' 000)	2,474.0	3,294.9	2,773.5	3,552.4

(a) Based on total income from all sources.

The raw data on the income distribution are a list of the incomes of the recipient units. These units can be ordered by the income size, which creates a list of recipients from the lowest to highest income. This list, although providing all detailed information and being the most complete description of the income distribution, is not a very useful way to present the distribution of income because of its great length and detail. Therefore, the distribution is usually summarised by one or more methods which emphasise different aspects.

A common method of summarising the income distribution is the frequency distribution that groups the population into classes by size of income, and gives the number or proportion of recipient units in each income class. A graph of the frequency distribution is a good way to portray the shape of the income distribution for most purposes; however, for some purposes the cumulative distribution is the best way to describe the income distribution. This is especially true for measuring income inequality where the important aspect of the income distribution is the share of income received by population groups. A descriptive method of presenting the income distribution which emphasises the income share is by using *quantile* information which is usually summarised in the form of *quantiles*, *deciles* or *percentiles*. The population is divided into groups of equal size (5, 10 and 100 groups corresponding to quantiles, deciles and percentiles respectively) after they are ranked according to income. Then for each quantile group the proportion of income is given. For example, the *decile* income distribution gives the proportion of income received by 10 equal sized groups of the population, starting with the 10 per cent of the population with the lowest incomes and

the 10 per cent of the population with the highest incomes. Each decile is a useful presentation of the income distribution. For example, the 5th decile is the median income and the other half of the population receives more than the median income. Another advantage of the decile distribution is that it is easy to compare the income distribution of one country with that of another. Another advantage is that it is easy to compare the income distribution of one year with that of another. The decile distribution is a good way to present the income distribution for most purposes.

Lorenz curves always have the following two characteristics:

- they always lie below the 45° line; and
- they are always convex to the 45° line (because lower groups always have a less than proportionate share of income).

There are two limiting cases to the Lorenz curve:

- when everyone has the same income it is equivalent to the 45° line (lowest 10 per cent has 10 per cent of income, lowest 20 per cent has 20 per cent of income, etc.); and
- when one person has all the income, a horizontal line is 100 per cent of which the smallest unit holds 0.10 per cent.

TECHNICAL NOTES

1. Method of collection

Most of the data presented in this publication were derived from a survey of annual income conducted throughout Australia in the period September to December 1979. Questions asked included how much income was received during the financial year 1978-79, the source(s) of that income, income tax paid, labour force participation during 1978-79 and educational attainment.

Information from the 1978-79 income survey has already been published—see data sources and references at the back of this publication. However, much of the data here have not previously been published and concentrate more on summarising the distribution of income.

A discussion of the quality of the survey data and the methodology of collection can be found in the specific source references given at the back of this publication.

Before outlining concepts and definitions an explanation follows of the basic tools used in this publication for describing the distribution of income.

2. Income distribution—descriptive aids

The raw data of the income distribution are a list of the incomes of the recipient units. These units can be ordered by the income size, which creates a list of recipients from the lowest to highest income. This list, although providing all detailed information and being the most complete description of the income distribution, is not a very useful way to present the distribution of income because of its great length and detail. The income distribution is usually summarised by one or more methods which emphasise different aspects.

A common method of summarising the income distribution is the *frequency distribution* that groups the population into classes by size of income and gives the number or proportion of recipient units in each income class. A graph of the frequency distribution is a good way to portray the essence of the income distribution for most purposes. However, for some purposes the usual frequency distribution is not the best way to describe the income distribution. This is especially true for examining income inequality where the important aspect of the income distribution is the share of income received by population groups. A descriptive method of presenting the income distribution which emphasises the income shares is by using *quantile* information which is usually summarised in the form of quintiles, deciles or percentiles. The population is divided into groups of equal size (5, 10 and 100 groups corresponding to quintiles, deciles and percentiles respectively) after they are ranked according to income. Then for each equal size group the proportion of income is given. For example, the *decile* income distribution gives the proportion of income received by 10 equal sized groups of the population starting with that 10 per cent of the population with the lowest incomes and

ending with the 10 per cent of the population with the highest incomes. This decile distribution, although it does not contain information about the income levels relating to each decile, is a superior presentation for answering questions such as 'who receives what', i.e. the lowest 10 per cent of the population receives only 1 per cent of the income compared with 25 per cent for the highest 10 per cent. In other words, questions of income inequality are concerned with relative income shares of recipient units and are best observed by quantile shares. Another measure used in this publication is the *median* income. Exactly half the population receives more than the median income and conversely the other half receives less than the median income. However, each method of presentation has its advantages and disadvantages and these must be considered in light of the analytic purpose at hand. One advantage of the quantile summary has already been described. Another advantage is its usefulness in comparisons over time—it is much easier and more meaningful to compare respective tenths or fifths of the population over a period of time than it is to compare groups in the same absolute income class because of price changes and growth that may have occurred over the period, which brings into question the comparison of both current and constant dollar distributions.

A convenient and helpful method of summarising the income distribution is the *Lorenz curve* that plots the cumulative proportion of income against the cumulative proportions of the income recipients. At each point on the curve, the proportion of income received by the lowest x per cent of the population is given. For example, the lowest 10 per cent of the recipient units may have 3 per cent of aggregate income. (This curve is easily derived from the decile distribution—the cumulative shares of the population are 10 per cent, 20 per cent, . . . , 100 per cent and the cumulative income shares are found by accumulating the income shares.) Two illustrative Lorenz curves are presented in Figure 1.

Lorenz curves always have the following two characteristics:

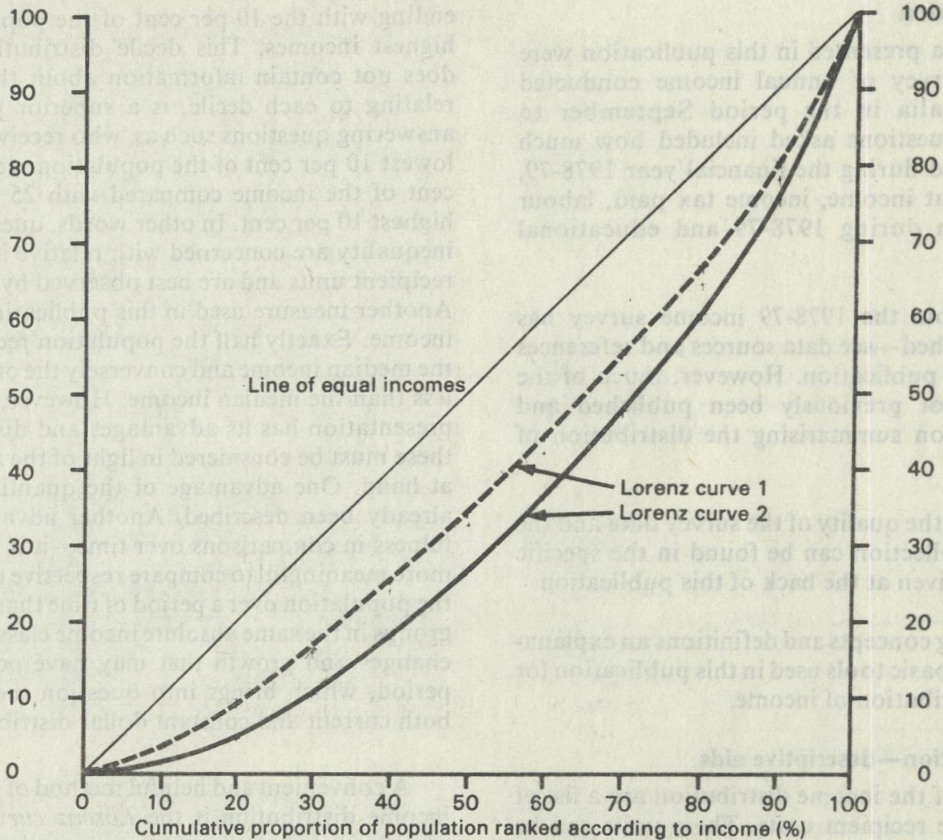
- (a) they always lie below the 45° line; and
- (b) they are always concave to the 45° line (because lower groups always have a less than proportionate share of income).

There are two limiting cases to the Lorenz curve:

- (a) when everyone has the same income it is equivalent to the 45° line (lowest 10 per cent has 10 per cent of income, lowest 20 per cent has 20 per cent of income, etc.); and
- (b) when one person has all the income, it follows the horizontal axis to 100 per cent at which time the vertical axis becomes 100 per cent.

Figure 1 TWO HYPOTHETICAL LORENZ CURVES

Cumulative proportion of income (Per cent)



Lorenz curves can be used to compare the degree of inequality between two or more distributions over time or across different characteristics (i.e. age, sex, etc.). If the Lorenz curve for one distribution is completely inside the other (as for Lorenz curve 1 in Figure 1), then this distribution is more equal in the sense that income shares in the lower deciles are greater than those in the other distribution. In cases where the one Lorenz curve is not completely inside the other, the 'crossing Lorenz curve' phenomenon occurs; for example, in one distribution the shares of the middle deciles may be greater but the shares in the lower and higher deciles may be less when compared with another distribution. The concept of 'more equal' becomes vague in this situation.

However, taking inequality further, there exist many measures of inequality all of which say different things about the levels of inequality and changes in it, but all of which provide a number that in some way summarises the distribution. One common measure is the Gini coefficient of concentration and is closely associated with the Lorenz curve. The Gini coefficient expresses the area between the diagonal and the Lorenz curve as a proportion of the total area under the diagonal. As the Lorenz curve deviates further from the diagonal, the Gini coefficient becomes larger and it varies between zero (representing equality of income) and one (the situation where one income unit has all the income) and is thus a useful summary measure of the degree of inequality for comparison over time and place. However, in cases where Lorenz curves cross, the direction of change in inequality is uncertain and the Gini coefficient values can be misleading.

In this publication a good deal of analysis of the extent of income inequality and the factors that influence it is based on Gini coefficients of concentration. The technique used is to calculate separate Gini coefficients from the separate income distributions of sub-groups of a larger population. Where the Gini coefficients of the sub-groups are all significantly lower than that of the population of which they are components then it may be concluded that the characteristic on which the sub-groups are defined, e.g. age, sex, educational attainment, is a factor contributing to income inequality in the original population. It may also be concluded that a characteristic whose component groups display lower Gini coefficients than another is a more important determinant of inequality. However, it should be kept in mind that any quantitative results from this analysis are only suggestive. For example, in answer to a question about inequality in relation to age, it can be said that age appears to be strongly related to inequality and that relative to other variables age is more or less important.

Finally, mention should be made of the accuracy associated with estimates of Gini coefficients. This can be conveniently described by the 'standard error' of an estimate. There are about two chances in three that a sample estimate will differ by less than one standard error from the figure that would have been obtained from a comparable complete enumeration, and about nineteen chances in twenty that the difference will be less than two standard errors. In general this publication does not provide tables of standard errors. However, such tables are readily available (where applicable) from the source and reference documents given at the end of each chapter.

As yet, no table of standard errors for Gini coefficients has been published and for this reason a table is included here. Note that the standard errors in the following table are based on the size of the *population* from which the Gini coefficient was derived and not on the size of the actual Gini coefficient.

STANDARD ERRORS ON GINI COEFFICIENTS

Population (on which Gini coefficient based)	Standard error per cent (of Gini coefficient)
4 000	18.0
5 000	16.0
10 000	11.0
20 000	7.9
50 000	5.1
100 000	3.6
200 000	2.5
500 000	1.6
1 000 000	1.1
2 000 000	0.8

These figures will not give a precise measure of standard error of a particular Gini coefficient but will provide an indication of the magnitude of the standard error. As an example, if the Gini coefficient for a particular population group was 0.34 and that population group consisted of 50 000 persons or income units then the standard error on the estimated Gini coefficient would be 5.1 per cent of the coefficient. Therefore there would be about two chances in three that the true figure lay within the range $(0.34 - (0.051 \times 0.34))$ to $(0.34 + (0.051 \times 0.34))$ or 0.32 to 0.36 and about nineteen chances in twenty that the coefficient lay between 0.31 and 0.37.

3. Concepts and definitions

Tables 3—11, 22, 26

Full-time and part-time workers. Persons were classified as either full-time or part-time workers on the basis of the kind of work in which they were mostly engaged during 1978-79, full-time work being defined as work occupying 35 hours or more per week.

Full-year, full-time workers are those who had worked in Australia for at least 50 weeks during the year 1978-79 and had been engaged mostly in full-time work. A person who had worked for 26 weeks full-time and for 24 weeks part-time would have been classified as a full-year, full-time worker; however it should be noted that most persons who work for a full year engage in either full-time or part-time work, but not in both.

Full-year, part-time workers are those who had worked in Australia for at least 50 weeks during the year 1978-79 and had been engaged mostly in part-time work.

Part-year, full-time workers are those who had worked in Australia for less than 50 weeks during the year 1978-79 and had been engaged mostly in full-time work. A person who had worked for 25 weeks full-time and for 24

weeks part-time would have been classified as a part-year, full-time worker; however, it should be noted that most persons who work for less than a year engage in either full-time or part-time work, but not in both.

Part-year, part-time workers are those who had worked in Australia for less than 50 weeks during the year 1978-79 and had been engaged mostly in part-time work.

4. Comparability of estimates from income surveys

The ABS has conducted three income surveys covering the years 1968-69, 1973-74 and 1978-79. While these surveys were similar in most respects care must be taken in making comparisons of survey results for the following reasons:

- The 1978-79 survey, unlike the earlier surveys, did not ask school students the income questions. In 1973-74 there were approximately 475,000 school students aged 15 to 20 and 29 per cent of these students received some income in 1973-74.
- In the 1978-79 survey persons who had lived outside Australia for more than twelve weeks during 1978-79, and had worked overseas in a job or jobs unrelated to an Australian job or business were excluded from all tables. All migrants who arrived in Australia after September 1978 were also excluded. The number of persons excluded for these reasons was 110,000. These persons were not excluded from individual tables for 1968-69 and 1973-74.
- The post-school qualifications levels non-degree tertiary and technician as used in the 1968-69 and 1973-74 surveys have been combined to form the level 'certificate (non-trade) / diploma' in the 1978-79 survey.
- Income units whose female head had lived with her husband for more than twelve weeks during 1978-79 but was not doing so at the time of the survey (e.g. females who were widowed or became separated after September 1978) were excluded from the tables. In the 1978-79 survey 31,000 one-parent units and 39,000 one-person units were excluded for these reasons.

Data sources and references

Tables 1—34, 36—40

ABS, *Income Distribution, Australia, 1978-79, Individuals* (6502.0)

ABS, *Income Distribution, Australia, 1978-79, Income Units, Preliminary* (6522.0)

ABS, *Income Distribution, Australia, 1978-79, Income Unit*, (6523.0)

(Note: much of the data in these tables has not previously been published)

Table 35

ABS, *Public Authority Finance Taxation, Australia* (5506.0)